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Agenda item 132

**Administrative and budgetary aspects of the financing
of the United Nations peacekeeping operations****Financial performance report for the period from
1 July 2005 to 30 June 2006 and proposed budget for
the period from 1 July 2007 to 30 June 2008 of the
United Nations Logistics Base at Brindisi****Report of the Advisory Committee on Administrative and
Budgetary Questions**

Appropriation 2005/06	\$31,513,100
Expenditure 2005/06	\$27,527,400
Unencumbered balance 2005/06	\$3,985,700
Appropriation 2006/07	\$35,478,700
Projected expenditure 2006/07 ^a	\$32,472,000
Estimated unencumbered balance 2006/07 ^a	\$3,007,000
Proposal submitted by the Secretary-General for 2007/08	\$40,683,600
Recommendation of the Advisory Committee for 2007/08	\$40,305,500

^a Estimates as at 30 April 2007.

I. Introduction

1. The recommendations of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 49 below would entail a reduction of \$378,100 in the proposed budget of the United Nations Logistics Base in Brindisi, Italy (UNLB) for the period from 1 July 2007 to 30 June 2008 (A/61/752). The Committee also makes a number of observations and recommendations regarding the administration and management of the Logistics Base and opportunities for further savings.
2. The general report of the Advisory Committee on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations contains its views and recommendations on a number of cross-cutting issues. Consequently, in the paragraphs below, the Committee deals with resources and other items specifically relating to UNLB.
3. The documents used by the Advisory Committee in its consideration of the financing of UNLB are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2005 to 30 June 2006

4. The General Assembly, in its resolution 59/299, appropriated to the special account for UNLB an amount of \$31,513,100 gross (\$29,280,000 net) for the period from 1 July 2005 to 30 June 2006. Expenditure for the period totalled \$27,527,400 gross (\$25,678,300 net).
5. The unencumbered balance of \$3,985,700 gross (\$3,601,700 net) for the period 2005/06 represents in gross terms 12.6 per cent of the appropriation for the maintenance of the Base, including savings under:
 - (a) National staff (\$2.9 million) owing to the delayed recruitment of 64 national staff, approved in the 2005/06 budget to convert individual contractors performing core functions. As a result of this delay, the actual average vacancy rate was 23 per cent instead of the 2 per cent budgeted. There were corresponding reductions for staff assessment (\$0.4 million) and common staff costs (\$0.9 million). The Committee notes, however, that the vacancy rate for national staff has come down substantially. At the beginning of the period, in July 2005, it stood at 42.4 per cent, coming down to 4.8 per cent, with 8 posts unfilled as of June 2006;
 - (b) Facilities and infrastructure (\$0.6 million) as a result of reduced requirements for utilities due to the delayed installation of equipment and migration of data for the UNLB Disaster Recovery Centre. In addition, savings were recorded under security services owing to the fact that the San Pancrazio storage facility was not utilized as a result of the relatively low level of strategic deployment stocks during the period;
 - (c) Communications (\$0.2 million) and information technology (\$0.2 million) owing to favourable terms obtained for new service contracts as a result of re-bidding and competitive pricing obtained from the new provider for technology support services;

(d) Other supplies, services and equipment (\$0.2 million), owing largely to delays in the implementation of the logistics support services contract for UNLB and a new strategic deployment stocks insurance policy for more comprehensive insurance coverage, offset in part by higher requirements for loss on exchange due to the appreciation of the euro against the United States dollar.

6. These savings were offset, in part, by higher than budgeted expenditure for general temporary assistance (\$96,700), due largely to an insufficient provision in the 2005/06 budget for such assistance to cover staff on sick leave and maternity leave.

7. The Advisory Committee notes that strategic deployment stock items with an estimated value of \$30.6 million were shipped to various peacekeeping missions. This represents a much lower volume than anticipated. Expenditures for the replenishment of strategic deployment stocks amounted to \$47.8 million, including replenishment of items shipped during the prior period.

8. The comments of the Advisory Committee on the information presented in the performance report (A/61/679) on individual objects of expenditure can be found in the discussion of the proposed budget for the period from 1 July 2007 to 30 June 2008 in section IV below.

9. The Advisory Committee notes that the General Assembly, in its resolution 61/264, requested the Secretary-General to submit a detailed report on after-service health insurance benefits to the Assembly at its sixty-third session. **Pending a decision by the General Assembly, the Committee recommends that the full amount of other income and adjustments amounting to \$2,380,100, as well as a portion of the unencumbered balance amounting to \$239,400 for UNLB for the period 2005-2006, which had been proposed for meeting after-service health insurance liabilities, be credited to Member States.**

III. Information on performance for the current period

10. The Advisory Committee was provided with expenditure data for the period from 1 July 2006 to 30 June 2007 as at 30 April 2007 (see annex I to the present report). Expenditure for the period as at 30 April 2007 amounted to \$26,467,000 against an apportionment of \$35,479,000 gross. The Secretariat estimates expenditures for the period from 1 May to 30 June 2007 at \$6,005,000. For the period 2006/07, therefore, expenditures are estimated at \$32,472,000, or some 92 per cent of the apportionment. This would result in an unencumbered balance of \$3,007,000 at the end of the financial period.

11. The Committee was informed that, as at 30 April 2007, the incumbency for UNLB was as follows:

Category	Posts authorized ^a	Posts encumbered	Vacant	Vacancy/rate (percentage)
International staff	47	35	12	26
National staff	169	162	7	4

^a Represents the highest authorized strength for the period.

IV. Proposed budget for the period from 1 July 2007 to 30 June 2008

A. Mandate and planned results

12. The Advisory Committee notes that the presentation of the framework is based on a single support component with the key expected accomplishment of increasing the efficiency and effectiveness of peacekeeping operations. Outputs are aligned to the proposed new concept of operations and grouped under the main components of the new organizational structure: (a) the United Nations Logistics Base Support Services for the management and administration of the Base; (b) the services focused on supporting peacekeeping missions, including Logistics Services and Communications and Information Technology Services; and (c) the Tenant Units administered by UNLB under the operational control of the Department of Peacekeeping Operations. The Committee notes that, with the establishment of the United Nations Logistics Base Support Services, functions such as personnel, finance, procurement, general services and facilities management, which service the Tenant Units and the Logistics Base itself, would be consolidated under one umbrella. This contrasts to the present structure, under which these functions are dispersed across Administrative Support and Technical Support Services.

13. As indicated by the Secretary-General in his report on the use of UNLB to provide efficient and economical communications and information technology services (A/60/715, para. 3), pursuant to General Assembly resolution 59/299, the Secretariat conducted a review of its peacekeeping operations and identified the functional areas that could be situated at UNLB to provide efficient and economical services to the peacekeeping operations during the periods 2006/07 and 2007/08. The General Assembly took note of the proposals outlined by the Secretary-General to expand the Logistics Base and requested the Secretary-General to submit to the Assembly, for its decision, detailed information on the concept of operations, financial and legal implications and expected benefits that might arise from the expansion with the budget for 2007/08 (resolutions 59/299 and 60/267).

14. The Advisory Committee notes that a comprehensive organizational review of UNLB, led by the Department of Peacekeeping Operations, was carried out from July to October 2006. The review resulted in a new concept of operations and organizational structure, which is described in the budget document (A/61/752, paras. 8-17). Organization charts of the current and proposed organizational structure of the Base are also provided in the annexes to that document.

15. The proposed new organizational structure is built on three pillars: UNLB Support Services, which provide support to the Logistics Base; Logistics Services and Communications and Information Technology Services, which support the peacekeeping operations; and a new concept of "Tenant Units". The Chief Administrative Officer would continue to have overall responsibility for the three pillars. However, the Advisory Committee notes that the Tenant Units would be administered by the Base, but be placed under the operational control of the Department of Peacekeeping Operations. The Secretary-General also proposes, in the context of a pilot project, to create an off-site Recruitment and Outreach Unit of the Personnel Management and Support Service of the Department of Peacekeeping Operations under United Nations Logistics Base Support Services.

16. The Advisory Committee notes that the new concept of operations proposes a separation of the activities related to the support of UNLB and those in support of field missions. The presentation of the new concept of operations lacks clarity and should be simplified. The creation of new offices, renaming and changing names of offices and sections, the movement of posts from one office/section to another, the changing grade levels while suggesting redeployment/creation and abolishment of posts have been set out in a way that does not facilitate the understanding of the real budgetary implications and cost-effectiveness of the proposals being put forward.

17. The Advisory Committee considers that there is a need for a longer-term perspective on the role and future development of UNLB that would address, *inter alia*, the basis for placing certain functions at the Base. In a previous report, the Secretary-General (A/60/715) identified a number of stand-alone activities. The support provided by host authorities should also be factored in. The Committee recommends that such a longer-term perspective should be presented to the General Assembly in the context of the 2009/10 budget proposals. The Committee is of the view that decisions on the establishment of logistics functions should be based on an analysis that takes into account the projected associated costs and overheads, weighed against potential benefits, including savings and productivity and other qualitative gains.

B. Resource requirements

18. The proposed budget for UNLB for the period 2007/08 (A/61/752) amounts to \$40,683,600 gross (\$37,993,700 net), representing an increase of \$5,204,900, or 14.7 per cent, in gross terms over the amount of \$35,478,700 apportioned for the period 2006/07. The budget is established on the basis of the proposed new concept of operations and structure, including three new Tenant Units and the pilot project for personnel management. It provides for a total of 55 international and 181 national posts, as well as six temporary national staff positions funded under general temporary assistance.

Civilian personnel

Category	Approved for 2006/07	Proposed for 2007/08	Variance	Encumbered ^a	Vacant	Vacancy/rate (percentage)
International staff	47	55	8	35	12	26
National staff	169	181	12	162	7	4
Temporary positions	—	6	6	—	—	—

^a As of 31 March 2007.

19. A summary of the posts requested for conversion, establishment and abolition is presented in annex II to the present report. A detailed description of the changes proposed by office/section/unit is provided in the report of the Secretary-General on the budget for UNLB for 2007/08 (A/61/752) under the various components of the budget proposal.

20. As shown in the table above, as of 31 March 2007 12 international and seven national posts were vacant, with a vacancy rate of 26 per cent for international staff. **In the light of this vacancy situation, the Advisory Committee requests UNLB to rejustify the continued requirement for posts that are vacant for over a year in the context of the 2008/09 budget.**

(a) Pilot project for the Personnel Management and Support Service

21. The proposal of the Secretary-General for a pilot project to test the concept of an off-site Recruitment and Outreach Unit of the Personnel Management and Support Service of the Department of Peacekeeping Operations for checking the references of candidates are outlined in the budget document (A/61/752, paras. 17 and 27-30). This proposal would entail the creation of six temporary positions to be funded from general temporary assistance.

22. **The Advisory Committee acknowledges that the reference-checking function remains essential. As this function is but one of the elements of the staffing function, the Committee is of the opinion that the proposal for the pilot project should be considered in the context of the support account. It therefore recommends against acceptance of the proposal of the Secretary-General at this time and will look into this matter in the context of its report on the proposed budget for support account for 2007/08.**

(b) Tenant Units

23. During the period 2006/07, a Training Delivery Cell was established at UNLB, as well as a Regional Aviation Safety Office to service the Logistics Base, the United Nations Interim Administration Mission in Kosovo (UNMIK) and the United Nations Observer Mission in Georgia (UNOMIG), in accordance with the recommendation of the Office of Internal Oversight Services (see also A/59/347). However, the Advisory Committee notes from the budget document (A/61/752, sect. V.B) that recruitment for the two new functions was delayed and that it is expected that the Tenant Units will only be operational towards the end of the fiscal period. An assessment of these initiatives could therefore not be carried out and this will be done during the period 2007/08.

Strategic Air Operations Centre
(see A/61/752, paras. 77-83)

*Five new posts (1 P-4, 2 P-3, 1 Field Service,
1 General Service) and a provision of \$79,700
for non-post resources*

24. The Secretary-General indicates that the increase of United Nations air assets in many field missions necessitates the strengthening of the aviation programme for commercially contracted and Government-provided air assets in order to maximize the use of those assets and to enhance air safety. The Strategic Air Operations Centre would be responsible for analysing aircraft usage reports to ensure efficient fleet management, contract performance and compliance with the United Nations commercial charter agreements. It would have oversight over all Department of Peacekeeping Operations inter-mission flights worldwide. It would also provide an aircraft tracking system, including a global flight following system for the United Nations aviation fleet of 228 aircraft in the peacekeeping missions with a total of some 120,000 flight hours and transportation of 723,600 passengers and 140,900 tons of cargo.

25. Additional information was provided to the Advisory Committee on the distribution of functions between the Regional Aviation Safety Office at UNLB, which serves UNMIK and UNOMIG, and the Strategic Air Operations Centre, as well as between the headquarters of the Air Transport Section of the Department of Peacekeeping Operations, the Strategic Air Operations Centre and the Aviation Sections of the missions. According to the Secretariat, the functions of the respective sections do not overlap but are complementary.

26. The Advisory Committee was informed that the main benefits expected from the establishment of the Centre related to the centralized and optimized utilization of some 15 aircraft and that it was expected that from the period 2009/10, this could potentially lead to annual savings in the range of \$10 million in the total aviation budgets of the missions. **The Committee expects concrete savings to be reflected in future budget proposals, starting in 2009/10.**

27. **The Advisory Committee recommends acceptance of the proposal of the Secretary-General to create five posts (3 international and 2 General Service) and to make a provision of \$79,700 for non-post resources.**

Geographical Information System Centre Eight posts (1 P-4, 1 P-3, 1 Field Service, 5 General Service) and non-post resources of \$312,300
(A/61/752, paras. 89-93)

28. The Secretary-General indicates that the Geographical Information System (GIS) Centre would provide geographical information services for all peacekeeping missions, including on-site assistance to missions in the start-up phase, and would improve field mission operational readiness.

29. The Advisory Committee recalls that, in his report on the functional areas that could be located at the Logistics Base (A/60/715, para. 10), the Secretary-General had indicated that the Centre would be staffed by eight personnel (1 P-3, 1 P-2, 1 Field Service and 3 local staff, augmented by 2 international contractors) and proposed that the two Professional posts and one Field Service post be redeployed from existing missions (the United Nations Mission in the Sudan (UNMIS), the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) and the United Nations Operation in Burundi (ONUB)). However, upon request, **the Committee was informed, that the current staffing situation in these missions had not yet allowed for any redeployment of personnel. The Committee regrets that assumptions made in the report on efficient and economical communications and information technology services (A/60/715) did not materialize (see also para. 32 below).**

30. Additional details on the respective roles of the Geographical Information System Centre, the mission GIS units and the Cartographic Section at Headquarters were provided to the Committee. The Department of Peacekeeping Operations assured the Advisory Committee that their functions are complementary and do not overlap. The Geographical Information System Centre in UNLB would create a repository with base maps that the mission's GIS units could build upon with customized information such as troop locations, evacuation areas and road conditions. The Headquarters Cartographic Section provides maps and analysis to the Security Council and the Secretariat and also oversees and coordinates the activities of the mission GIS units, including the proposed UNLB Geographical Information System Centre.

31. The Advisory Committee recognizes the critical importance of providing precise maps and other cartographic products to support decision-making and the work of the United Nations. From the additional information provided to it, the Committee also notes that the production of customized maps is a complex process involving many actors and is based on rapidly evolving GIS technology and standards. **The Committee is of the view that a successful implementation of the proposals put forward will require a clear statement on the goals of the Centre, its resources, methods of work and the roles and responsibilities of the different actors involved. It therefore requests that a plan be prepared ensuring the efficient implementation and coordination of GIS-related activities and resources at Headquarters, UNLB and the missions. It should include specific measures for avoiding duplication as well as targets for the efficiency and productivity gains expected as a result of the establishment of the GIS Centre. Pending the submission of such a plan and a definitive proposal for the establishment of the Centre, the Committee recommends that the following posts requested be established as temporary positions to be funded from general temporary assistance:**

- (a) Creation of a position of Chief, GIS Centre (P-4);
- (b) Creation of a position of GIS Officer (P-3);
- (c) Creation of a position of GIS System Officer (FS);
- (d) Creation of five National General Service positions (NGS).

The Committee also recommends approval of \$312,300 for non-post resources.

Engineering Design Unit
(A/61/752, paras. 84-88)

*Four posts (1 P-4, 1 P-3, 2 NGS) and a
provision of \$131,100 for non-post resources*

32. The Engineering Design Unit would provide engineering planning and design services for all peacekeeping missions and Headquarters clients. It would also carry out liaison with and visit field missions to support the design of major engineering projects. The Advisory Committee recalls that, in reporting on the functional areas that could be situated at UNLB (A/60/715, paras. 7 and 8), the Secretary-General had indicated that the establishment of a Central Design Unit would reduce or eliminate the requirement for such skills in many missions and would standardize the design and drafting of accommodation and other engineering work. At that time, the Secretary-General envisaged that the Unit would be staffed by four personnel (1 P-4 (Chief), 1 P-3 and 2 local staff) and that Professional post requirements would be met through the proposed redeployment of posts from existing missions (the United Nations Mission in the Sudan (UNMIS) and the United Nations Mission in Liberia (UNMIL)). The Advisory Committee was informed, however, that it was not possible to redeploy personnel from UNMIL or UNMIS at the present time. **The Committee notes that this is yet another instance where the proposed redeployment did not materialize.**

33. **It is important to determine efficiency and productivity gains that may be achieved as a consequence of the establishment of the Engineering Design Unit. Details on the gains realized as well as further potential savings should be provided in the context of the budget proposal for 2008/09. Pending the availability of such an analysis, the Advisory Committee recommends approval**

of the following temporary positions to be funded through general temporary assistance:

- (a) Creation of a position of Chief, Engineering Design Unit (P-4);
- (b) Creation of a position of Design Engineer (P-3);
- (c) Creation of 2 national General Service positions (NGS).

34. The recommendation of the Advisory Committee regarding the overall staffing requirements for the three Tenant Units proposed to be established are summarized in the table below.

	P-5- P-4	P-3- P-1	Field Service	Subtotal international staff	National staff	Total posts	Temporary positions
Proposed new Tenant Units							
Strategic Air Operations Centre	1	2	1	4	1	5	
Geographical Information System Centre	1	1	1	3	5		8
Engineering Design Unit	1	1	—	2	2		4
Total	3	4	2	9	8	5	12

(c) **UNLB Services**

35. In the following paragraphs, the Advisory Committee deals with the restructuring of the UNLB functions, including the United Nations Logistics Base Support Services, Logistics Services and Communications and Information Technology Services. These three services would be placed under the administrative control of the Chief Administrative Officer.

36. As indicated in the budget document (A/61/752, para. 16), the reorganization of the organizational structure is complex. The net effect of the proposed creation, abolishment, redeployment and movement of posts between the newly created, renamed, reconfigured offices/sections/units would be the reduction of one international post and the increase of four national posts. The table below summarizes the impact of the changes proposed on the overall staffing structure.

	P-5- P-4	P-3- P-1	Field Service	Subtotal international staff	National staff	Total posts	National staff temporary positions
UNLB Services							
United Nations Logistics Base Support Services	2	1	—	3	23	26	6
Logistics Services	—	(3)	(1)	(4)	(19)	(23)	
Communications and Information Technology Services	2	—	(2)	—	—	—	
Subtotal UNLB Services	4	(2)	(3)	(1)	4	3	6

37. It is proposed to create four national posts, including a Procurement Assistant and a Vender Roster Assistant in the Procurement Section, one Vehicle Workshop Dispatcher in the Transport Section and one Administrative Assistant in the Office of the Chief, Administrative Services. **The Advisory Committee recommends acceptance of these proposals.**

38. With regard to the international posts, the overall staffing component would be reduced by three Field Service and 2 P-3 posts, offset by the creation of four new Professional posts at a higher grade (2 P-4, 2 P-5). The organization chart containing the proposed new structure in the budget document (A/61/752, annex, sect. A) indicates that a P-5 post would be created to head the office of the Chief of Administrative Services and that the post of Chief, Communications and Information Technology would be reclassified from P-4 to P-5.

39. **The Advisory Committee is concerned that the proposed structure creates a new management layer, with a tendency towards an overinflated grade structure, which is not justified by greater activity and workload. Under the circumstances, the Committee is of the opinion that such a restructuring exercise, which is based on the reconfiguration of existing functions, should not only be cost neutral, but should also not inflate grade structure. Given the fact that the reorganization proposed would lead to the creation of five higher-level Professional posts with a net reduction of one Professional post, this is clearly not the case. The Committee is of the view that the overall grade structure of the staffing component of UNLB should be maintained at current levels. At this stage, therefore, the Committee recommends acceptance of the proposals for the relocation/readjustment of posts that do not entail a change of grade. It recommends against the proposals for reclassifying posts at a higher level or the establishment of new posts at a grade level higher than those that are to be abolished.**

40. Pending a decision by the General Assembly on the funding of after-service health insurance benefits, the Advisory Committee recommends a reduction of \$237,500 under common staff costs of international staff in the proposed budget of UNLB for the period 2007-2008.

Operational costs

(United States dollars)

<i>Expenditures 2005/06</i>	<i>Apportionment 2006/07</i>	<i>Projected expenditure up to 30 June 2007</i>	<i>Projected savings for 2006/07</i>	<i>Proposed 2007/08</i>
15 596 400	18 098 500	17 952 000	146 000	22 364 000

41. The estimated operational requirements for the period from 1 July 2007 to 30 June 2008 represent an increase of \$4,265,500, or 23.6 per cent, in comparison with the apportionment for the period 2006/07. Major causes of the higher costs include: an increase of \$1,268,500, or 31.7 per cent, under information technology for equipment for the Strategic Air Operations Centre; higher provisions under official travel in the amount of \$431,000 (218.8 per cent) owing to the fact that travel requirements of the training delivery cell that were previously funded through the support account would now be included in the UNLB budget; \$224,400 under

general temporary assistance for the six temporary positions for the personnel pilot project; and higher resources under facilities and infrastructure, mainly for the upgrade of the satellite hub in accordance with the recommendation of the Board of Auditors (see para. 44 below) and the acquisition of generators for the UNLB Disaster Recovery Centre.

42. The Advisory Committee has made recommendations, in paragraphs 22, 31 and 33 above, for deferring the establishment of temporary positions requested, or for establishing posts requested as temporary positions to be funded through general temporary assistance. It recommends that the resource requirements under operational costs be adjusted accordingly.

V. Other matters

43. The Advisory Committee requested additional information on the actions undertaken by UNLB to implement the recommendations of the Office of Internal Oversight Services and in its report (A/61/264 (Part II), para. 51) and those of the Board of Auditors in its report (A/61/5 (Vol. II)) on the financial report and audited financial statements of the United Nations peacekeeping operations for the 12-month period from 1 July 2005 to 30 June 2006. The recommendations of the Board of Auditors and the Office of Internal Oversight Services pertain essentially to weaknesses in the management of the strategic deployments stocks. The Committee was provided with additional information on the actions being taken to address these issues and the status of the implementation of these recommendations, which are attached to the present report in annex III.

44. The Board of Auditors had also made a recommendation that UNLB plan for an adequate structure to serve as a central satellite hub for all peacekeeping operations (A/61/5 (Vol. II), para. 364). The Advisory Committee notes that UNLB plans to construct a consolidated satellite communications facility, including construction of a 600 square metre satellite farm building capable of hosting engineers, systems and workshops, in compliance with ISO 27001 standards.

45. The Advisory Committee was informed that office buildings, workshop and warehouse structures are provided by the Government of Italy under the terms of a memorandum of understanding on the use of the facilities at Brindisi, established initially in 1994 and in a first addendum of December 2001. The estimated value of this non-budgeted voluntary contribution during the period 2007/08 would amount to \$2,070,700. The Committee was informed that the Italian Government had agreed to provide additional buildings on the Base with suitable office space for the additional Tenant Units to be located at Brindisi. The method of handover of these buildings to the United Nations is outlined in a second addendum to the above-mentioned memorandum of understanding, which has been agreed upon, in principle, by the parties. Upon conclusion of this addendum, the buildings in question will be refurbished. The non-budgeted voluntary contribution of the Government of Italy will be adjusted according to the second addendum in future UNLB budget documents.

VI. Implementation of the strategic deployment stocks, including the functioning of the existing mechanisms for rapid deployment

46. In response to General Assembly resolution 60/266, the Secretary-General submitted a report (A/61/795) on the implementation of the strategic deployment stocks, including the existing mechanisms for rapid deployment of equipment to new and upcoming United Nations peacekeeping operations. In that report, the Secretary-General indicated that a separate report on disaster recovery and business continuity will be submitted at a later date.

47. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General (A/61/795).**

VII. Conclusion

48. The action to be taken by the General Assembly in connection with the financing of UNLB for the period from 1 July 2005 to 30 June 2006 is indicated in paragraph 23 of the performance report (A/61/679). **The Advisory Committee recommends that the unencumbered balance of \$3,985,700, as well as the income and adjustments in the amount of \$2,380,100, be credited to Member States in a manner to be determined by the Assembly (see also para. 9 above).**

49. The action to be taken by the General Assembly in connection with the financing of UNLB for the period from 1 July 2007 to 30 June 2008 is indicated in paragraph 109 of the proposed budget (A/61/752). **The Advisory Committee recommends acceptance of the Secretary-General's request, subject to the observations and comments made in paragraphs 39, 40 and 42 above. In addition, taking into account its observations in those paragraphs, the Committee recommends that the estimated budget requirements of \$40,683,600 for the maintenance of the Logistics Base be reduced by \$378,100. Accordingly, the Committee recommends that the Assembly appropriate an amount of \$40,305,500 gross (\$37,643,000 net) for the maintenance of UNLB for the 12-month period from 1 July 2007 to 30 June 2008.**

Documentation

- Performance report on the budget of the United Nations Logistics Base at Brindisi for the period from 1 July 2005 to 30 June 2006 and implementation of the strategic deployment stocks, including the award of contracts for procurement: report of the Secretary-General (A/61/679)
- Budget for the United Nations Logistics Base at Brindisi for the period from 1 July 2007 to 30 June 2008: report of the Secretary-General (A/61/752)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2004 to 30 June 2005 and the proposed budget for the period from 1 July 2006 to 30 June 2007 of the United Nations Logistics Base at Brindisi (A/60/787)

- General Assembly resolutions 60/267, 60/266 and 59/299
- Implementation of the strategic deployment stocks, including the functioning of the existing mechanisms for rapid deployment: report of the Secretary-General (A/61/795)
- Report of the Office of Internal Oversight Services on peacekeeping operations (Part two) (A/61/264 (Part II))
- Use of the United Nations Logistics Base at Brindisi to provide efficient and economical communications and information technology services, as well as other services, for United Nations peacekeeping and Headquarters clients: report of the Secretary-General (A/60/715)

Annex I

Current and projected expenditures of the United Nations Logistics Base at Brindisi, Italy, for the period from 1 July 2006 to 30 June 2007

(Thousands of United States dollars)

	1 July 2006 to 30 April 2007		Projected 1 May to 30 June 2007					
	Appropriation (1)	Total expenditure (2)	Unencumbered balance (3)=(1)-(2)	Projected (4)	Total expenditure, including projected (5)=(2)+(4)	Estimated unencumbered balance as at 30 June 2007 (6)=(1)-(5)	Variance (Percentage) (7)=(6)-(1)	Reasons for variance
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	—	—	—	—	—	—	—	
United Nations police	—	—	—	—	—	—	—	
Formed police units	—	—	—	—	—	—	—	
Subtotal	—	—	—	—	—	—	—	
Civilian personnel								
International staff	6 603	4 617	1 986	968	5 585	1 018	15	Savings as a result of higher vacancy rate than budgeted
National staff	10 777	7 541	3 236	1 508	9 049	1 728	16	Savings as a result of higher vacancy rate than budgeted
United Nations Volunteers	—	—	—	—	—	—	—	
Subtotal	17 380	12 158	5 222	2 476	14 634	2 746	16	
Operational costs								
General temporary assistance	98	77	21	20	97	1	1	
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	420	187	233	230	417	3	1	
Official travel	197	140	57	55	195	2	1	
Facilities and infrastructure	4 870	3 845	1 025	820	4 665	205	4	Savings resulting from closure of the San Pancrazio depot

	1 July 2006 to 30 April 2007		Projected 1 May to 30 June 2007					Reasons for variance
	Apportionment (1)	Total expenditure (2)	Unencumbered balance (3)=(1)-(2)	Projected (4)	Total expenditure, including projected (5)=(2)+(4)	Estimated unencumbered balance as at 30 June 2007 (6)=(1)-(5)	Variance (Percentage) (7)=(6)-(1)	
Ground transportation	719	663	56	50	713	6	1	
Air transportation	—	—	—	—	—	—	—	
Naval transportation	—	—	—	—	—	—	—	
Communications	4 244	2 963	1 281	1 250	4 213	31	1	
Information technology	4 007	3 468	539	535	4 003	4	0	
Medical	445	213	232	230	443	2	0	
Special equipment	—	—	—	—	—	—	—	
Other supplies, services and equipment	3 099	2 753	346	339	3 092	7	0	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	18 099	14 309	3 790	3 529	17 838	261	1	
Gross requirements	35 479	26 467	9 012	6 005	32 472	3 007	8	
Staff assessment income	2 535	1 527	—	241	1 768	767	30	
Net requirements	32 944	24 940	9 012	5 764	30 704	2 240	7	
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—	
Total requirements	35 479	26 467	9 012	6 005	32 472	3 007	8	

Summary of proposed changes in staffing for the United Nations Logistics Base at Brindisi, Italy, for the period from 1 July 2006 to 30 June 2007

A/61/852/Add.14

Office/Section/Unit	Approved 2006/07 budget			Proposed 2007/08 budget		
	Total number of approved posts	Vacant posts	Vacancy rate (Percentage)	Number of proposed new posts	Level	Description
UNLB Support Services						
Office of Chief Administrative Services	Not available. The Office was not included in the UNLB structure in 2006/07			+1	P-5	1 new post, introduction of new functions Chief, Administrative Services
				+2	NGS	1 redeployment (from Personnel Section), partly same functions, same level; 1 new post, introduction of new functions Administrative Assistant (2)
				+3		
Personnel Section				-1	NGS	1 redeployment (to Office of Chief Administrative Services), partly same functions Personnel Assistant
	11	1	9.1	-1		
Procurement Section				+2	NGS	2 new posts, introduction of new functions Procurement Assistant; Vendor Roster Assistant
	9	0	0.0	+2		
General Services Section				+1	P-4	1 redeployment (from present Supply and Warehousing Office), partly same functions, from P-3 level to P-4 level Chief, General Services Section
				+9	NGS	8 redeployments (from present Supply and Warehousing Office), same functions; 1 redeployment (from Medical Clinic), same functions 8 (Property Management Assistant, Inventory and Supply Assistant (2), Claims Clerk, Administrative Clerk, Inventory and Supply Clerk (3), Nurse
	6	0	0.0	+10		

Approved 2006/07 budget				Proposed 2007/08 budget			
Office/Section/Unit	Total number of approved posts	Vacant posts	Vacancy rate proposed (Percentage)	Number of new posts proposed	(a) Redeployment, same functions (b) Redeployment, partly same functions or abolition and move of functions (c) New post, introduction of new functions (d) Abolishment of post (e) Reclassification of post		
					Level	Description	
Medical Clinic				-1	NGS	1 redeployment (to General Services Section), same functions	Nurse
	1	1	100.0	-1			
Facilities Management Section	Not available. The Section was not included in the UNLB structure in 2006/07			+1	P-3	1 redeployment (from present Engineering Office), partly same functions, same level	Chief, Facilities Management Section
				+12	NGS	12 redeployments (from present Engineering Office), same functions	9 (Structural Worker, Mason, Electrician (2), Electro-mechanical Technician, Supervisor, Plumber, Carpenter, Mechanic) from Building Maintenance Unit; 3 (Draughtsman, Draughting Assistant (2)) from the present Project Management Section
				+13			
Logistics Services							
Office of the Chief Logistics Officer				-1	P-3	1 abolishment and redeployment of functions to Chiefs of the proposed new Logistics Operations and Supply Sections as well as Transport and Engineering Sections	Logistics Officer
	4	0	0.0	-1			
Supply and Warehousing Office				-1	P-4	1 redeployment (to Logistics Operations Section), partly same functions, same level	Chief, Supply and Warehousing Office
				-2	P-3	1 redeployment (to Supply Section), partly same functions, same level; 1 redeployment (to General Services Section), partly same functions, from P-3 level to P-4 level	Chief, Supply Unit; Chief, Property Control and Inventory Unit

Approved 2006/07 budget		Proposed 2007/08 budget	
Office/Section/Unit	Total number of approved posts	Vacancy rate proposed (Percentage) new posts	Number of proposed new posts
Level			
			(a) Redeployment, same functions (b) Redeployment, partly same functions or abolition and move of functions (c) New post, introduction of new functions (d) Abolition of post (e) Reclassification of post
			Description
	-2 FS		1 redeployment (to Logistics Operations Section), same functions; 1 redeployment (to Supply Section), same functions
	-39 NGS		8 redeployments (to General Services Section), same functions; 19 redeployments (to Logistics Operations Section), same functions; 12 redeployments (to Supply Section), same functions
			Chief, Receipt and Inspection Unit; Supply Assistant 19 (Administrative Clerk (5), Shipping Assistant, Shipping Clerk (2), Receiving Assistant (3), Lead Person (2), Working Leader (3), Inventory and Supply Assistant (2), Warehouse Supervisor) to Logistics Operations Section; 12 (Administrative Clerk (2), Lead Warehouse Worker, Technician, Inventory and Supply Clerk (2), Warehouse Worker (5)) to Supply Section; 8 (Property Management Assistant, Inventory and Supply Assistant (2), Claims Clerk, Administrative Clerk, Inventory and Supply Clerk (3) to General Services Section
	44	1	2.3
			-44
Logistics Operations Section	Not available. The Section was not included in the UNLB structure in 2006/07	+1 P-4	1 redeployment (from present Supply and Warehousing Office), partly same functions, same level
		+2 FS	1 redeployment (from present Supply and Warehousing Office), same functions; 1 redeployment (from present Air Operations Office), same functions
			Chief, Logistics Operations Section Chief, Receipt and Inspection Unit; Chief, Air Operations Officer

Approved 2006/07 budget				Proposed 2007/08 budget			
Office/Section/Unit	Total number of approved posts	Vacant posts	Vacancy rate (Percentage)	Number of new posts proposed	Description of changes		
					(a) Redeployment, same functions	(b) Redeployment, partly same functions or abolition and move of functions	(c) New post, introduction of new functions
					(d) Abolishment of post	(e) Re-classification of post	Description
Supply Section	Not available. The Section was not included in the UNLB structure in 2006/07			+22	NGS	19 redeployments (from present Supply and Warehousing Office), same functions; 3 redeployments (from present Air Operations Office), same functions	19 (Administrative Clerk (5), Shipping Assistant, Shipping Clerk (2), Receiving Assistant (3), Lead Person (2), Working Leader (3), Inventory and Supply Assistant (2), Warehouse Supervisor) from present Supply and Warehousing Office; 3 (Transportation Assistant, Aviation Ramp Controller, Administrative Assistant) from present Air Operations Office
				+25			
				+1	P-3	1 redeployment (from present Supply and Warehousing Office), partly same functions, same level	Supply Officer
				+1	FS	1 redeployment (from present Supply and Warehousing Office), same functions	Supply Assistant
				+12	NGS	12 redeployments (from present Supply and Warehousing Office), same functions	Administrative Clerk (2), Lead Warehouse Worker, Technician, Inventory and Supply Clerk (2), Inventory and Supply Assistant, Warehouse Worker (5)
Transport Section				+14			
				-1	FS	1 abolishment and redeployment of functions within Transport Section	Transport Officer
				+1	NGS	1 new post, introduction of new functions	Vehicle Workshop Dispatcher
Engineering Section				23	2	8.7	
				-1	P-3	1 redeployment (to Facilities Management Section), partly same functions, same level	Engineer Officer

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Approved 2006/07 budget				Proposed 2007/08 budget			
Office/Section/Unit	Total number of approved posts	Vacant posts	Vacancy rate (Percentage)	Number of proposed new posts	Description		
					Level		
					-33	NGS	(a) Redeployment, same functions (b) Redeployment, partly same functions or abolishment and move of functions (c.) New post, introduction of new functions (d) Abolishment of post (e) Reclassification of post
	47	2	4.3	-44			7 redeployments (to Network Systems Section), same functions; 3 redeployments (to Systems Support Section), same functions; 23 redeployments (to Integrated Maintenance, Campus Support and Assets Management Unit), same functions 7 (Communications Technician (4), Satellite Technician, Programming Assistant (2) to Network Systems Section; 3 (Programming Assistant (3) to Systems Support Section; 23 (Communications and Information Technology Services Maintenance Supervisor, Telecommunications Assistant, Telecommunications Technician, Computer System Clerk, Information Technology Technician (5), Communication Technician, Telecommunications Technician (2), Computer Information System Assistant, Computer Information Assistant, Communications and Information Technology Services Logistics Supervisor, Inventory and Supply Assistant (6), Inventory and Supply Clerk (2) to Integrated Maintenance, Campus Support and Assets Management Unit
Network Systems Section	Not available. The Section was not included in the UNLB structure in 2006/07			+1	P-4		1 new post, introduction of new functions, some functions redeployed from present Office of the Chief, Communications and Information Technology 1 redeployment (from the present Office of the Chief, Communications and Information Technology), same functions Chief, Network Systems Section post to manage and coordinate the overall operation of the Section Information Systems Officer post is moved from the present Office of the Chief, Communications and Information Technology

Approved 2006/07 budget			Proposed 2007/08 budget		
Office/Section/Unit	Total number of approved posts	Vacant posts (Percentage)	Number of proposed new posts	Level	Description
					(a) Redeployment, same functions (b) Redeployment, partly same functions or abolishment and move of functions (c) New post, introduction of new functions (d) Abolishment of post (e) Reclassification of post
			+6	FS	6 redeployments (from Office of the Chief, Communications and Information Technology), same functions
			+7	NGS	7 redeployments (from Office of the Chief, Communications and Information Technology), same functions
					6 (Telephone Supervisor, WAN Supervisor, Satellite Network Supervisor, Satellite Technician (2), Telecommunications Technician) posts are moved from the present Office of the Chief, Communications and Information Technology
					7 (Communications Technician (4), satellite technician, programming assistant (2) posts are moved from the present Office of the Chief, Communications and Information Technology
			+15		
Systems Support Section	Not available. The Section was not included in the UNLB structure in 2006/07		+1	P-4	1 new post, introduction of new functions, some functions redeployed from present Office of the Chief, Communications and Information Technology
			+1	P-3	1 new post, introduction of new functions, some functions redeployed from the present Office of the Chief, Communications and Information Technology
			+3	NGS	3 redeployments (from the present Office of the Chief, Communications and Information Technology), same functions
					Information Security Officer
					Programming Assistant (3)
			+5		
Integrated Maintenance, Campus Support and Assets Management Unit	Not available. The Unit was not included in the UNLB structure in 2006/07		+1	FS	1 redeployment (from the present Office of the Chief, Communications and Information Technology), same functions
					Network Control Centre Supervisor

Approved 2006/07 budget				Proposed 2007/08 budget		
Office/Section/Unit	Total number of approved posts	Vacant posts (Percentage)	Vacancy rate proposed	Number of proposed new posts	Level	Description
Communications and Information Technology Services Maintenance Supervisor, Telecommunications Assistant, Telecommunications Technician, Computer System Clerk, Information Technology Technician (5), Communications Technician, Telecommunications Technician (2), Computer Information System Assistant, Computer Information Assistant, Communications and Information Technology Services Logistics Supervisor, Inventory and Supply Assistant (6), Inventory and Supply Clerk (2)	+23	NGS		23 redeployments (from the present Office of the Chief, Communications and Information Technology), same functions		

Approved 2006 07 budget				Proposed 2007 08 budget	
Office/Section/Unit	Total number of approved posts	Vacant posts (Percentage)	vacancy rate proposed	Number of proposed new posts	Description
				+2 NGS	2 new posts, introduction of new functions
				+4	
Geographical Information System Centre	Not available. The Centre was not included in the UNLB structure in 2006.07			+1 P-4	1 new post, introduction of new functions
				+1 P-3	1 new post, introduction of new functions
				+1 FS	1 new post, introduction of new functions
				+5 NGS	5 new posts, introduction of new functions
				+8	
Total				+8	
International				+8	
National				+12	

Abbreviations: FS = Fields Service; NGS = National General Service.

Annex III

Response of UNLB to the findings and recommendations of the Office of Internal Oversight Services and the Board of Auditors

A. Office of Internal Oversight Services

(A/61/264 (Part II))

Findings/recommendations

Current status

Strategic deployment stocks

The audit of the strategic deployment stocks (AP2004/600/02) in the Department of Peacekeeping Operations highlighted several programme weaknesses, including the following:

- Policies and procedures for managing strategic deployment stocks were not updated and adjusted in a timely manner. For example, the accounting guidelines for the stocks were issued two years after the concept's launch, resulting in the incomplete recording of transactions and an additional workload for maintaining, updating and reconciling the records of the stocks.
- Galileo, a \$3.4 million automated inventory system, did not track the deployment, replenishment and reconfiguration of the strategic deployment stocks and was not integrated with the accounting and procurement systems. The Department noted that the Galileo system tracked the movements and physical status of the stocks and that an interim tracking tool had been developed to monitor their replenishment. Based on the experience gained with that tool, user requirements had been drawn up and presented to the Galileo Development Group to assist in developing a new Galileo module to centrally monitor and account for strategic deployment stocks.
- Neither performance indicators nor evaluation tools were developed to measure the effectiveness of the deployment of strategic deployment stocks (para. 51).

The strategic deployment stocks policy directive for efficient management of deployment stocks was approved by the Assistant Secretary-General, Office of Mission Support, Department of Peacekeeping Operations, and issued in February 2007, and the strategic deployment stocks accounting guidelines were approved by the Controller and issued in July 2006.

On the basis of experience gained using the interim Lotus Notes-based replenishment tool, user requirements have been drawn up and a new module is under development. Pilot implementation is anticipated in October 2007.

The Department of Peacekeeping Operations has developed and implemented the material resource plan mechanism to plan and deploy the strategic deployment stocks based on the needs and requirements of each mission.

*Findings/recommendations**Current status*

The UNLB 2005/06 performance report, 2006/07 approved budget and 2007/08 budget proposal include indicators of achievement to measure the efficiency of issuance of strategic deployment stocks to missions.

B. Board of Auditors

(A/61/5, vol. II, chap. II)

*Findings/recommendations**Current status*

While the Board recognized that cargo consolidation could be cost-effective, the Department of Peacekeeping Operations agreed with the Board's recommendation that it reduce shipping time lags so as not to hamper the operations of the recipient field missions (para. 223).

Cargo consolidation is undertaken to achieve the best value for money expended on freight of items to missions. The Department of Peacekeeping Operations is cognizant of the urgent requirements and will undertake the consolidation of cargo only when it does not have an adverse impact on the immediate operational needs of the mission.

The Board followed up on its previous recommendation that the Administration expedite the promulgation and implementation of its policies and procedures on strategic deployment stocks as a matter of priority. The Administration informed the Board that the policy directive document is under review at the Controller's Office. The Department of Peacekeeping Operations anticipates that the process will be completed and the final policy directive will be issued during the fourth quarter of 2006 (para. 224).

The strategic deployment stocks policy directive was approved and promulgated in February 2007.

The Board recommends that the Department of Peacekeeping Operations keep track and match the replenishment of strategic deployment stocks through the Galileo system starting at the time of the issuance of the material release order instead of actual receipt of goods by the recipient-missions, or a satisfactory alternative replenishment process (para. 227).

According to the strategic deployment stocks accounting guidelines of July 2006, the replenishment of equipment will take place only after the equipment has been shipped and shipping documents are available. The Department of Peacekeeping Operations is following the guidelines.

Regarding the tracking of shipments through the Galileo system, the Office of Mission Support has developed an interim Lotus Notes-based tracking tool for monitoring the replenishment of strategic deployment stocks. An updated version of this tool has been adopted by the self-accounting units to improve the replenishment process. Based on the experience gained with this tool, user requirements have been drawn and presented to the Galileo Development Group in order to pursue the development of a new Galileo module to centrally monitor and account for

*Findings/recommendations**Current status*

The Department of Peacekeeping Operations agreed with the Board's recommendation that it continue efforts to conduct inspections of shipments of strategic deployment stocks within the established time frame (para. 230).

strategic deployment stocks transactions. Pilot implementation is anticipated by October 2007.

The Department of Peacekeeping Operations is working closely with UNLB to ensure further reduction is achieved in the lead time of the receipt and inspection process.

The Department of Peacekeeping Operations agreed with the Board's recommendation that it institute measures to provide sufficient protective facilities on electric generators to prevent their exposure to external elements that could affect their operational capability (para. 233).

The UNLB 2005/06 performance report, 2006/07 approved budget and 2007/08 budget proposal include indicators of achievement to measure the efficiency of issuance of strategic deployment stocks to missions.

The Department of Peacekeeping Operations has initiated the necessary corrective measures to address the most pressing storage and maintenance issues. Provisions of \$80,000 have been included in the UNLB 2007/08 budget proposal for the purpose.

(A/60/5, vol. II, chap. II)

*Findings/recommendations**Current status*

The Board reiterates its recommendation that the Administration expedite the promulgation and implementation of its policies and procedures on strategic deployment stocks as a matter of priority (para. 240).

The strategic deployment stocks policy was promulgated in February 2007.

The Department of Peacekeeping Operations agreed with the Board's reiterated recommendation that UNLB, in conjunction with the Department, follow up and obtain acknowledgement of receipt of items shipped to missions and monitor the shipments to ensure the timely acknowledgement of receipt (para. 245).

On 24 July 2006, UNLB implemented new procedures to follow up and monitor the reception of items by missions. As a result of the new procedures, UNLB has significantly reduced the backlog of pending acknowledgement.

The Board recommends that UNLB, in consultation with the Department of Peacekeeping Operations, develop suitable operating procedures, in line with good practices, to expedite the receiving and inspection process (para. 249).

UNLB has implemented the receiving and inspection procedures promulgated in the property manual.

The UNLB 2005/06 performance report, 2006/07 approved budget and 2007/08 budget proposal include indicators of achievement to measure the progress made.

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Agenda items 132 and 141

**Administrative and budgetary aspects of the financing of the
United Nations peacekeeping operations****Financing of the United Nations Stabilization Mission in Haiti****Financial performance report for the period from 1 July
2005 to 30 June 2006 and proposed budget for the period
from 1 July 2007 to 30 June 2008 of the United Nations
Stabilization Mission in Haiti****Report of the Advisory Committee on Administrative and
Budgetary Questions**

Appropriation for 2005/06	\$516,488,500
Expenditure for 2005/06	\$479,636,600
Unencumbered balance for 2005/06	\$36,851,900
Appropriation for 2006/07	\$489,207,100
Projected expenditure for 2006/07 ^a	\$458,810,000
Estimated unencumbered balance for 2006/07 ^a	\$30,397,100
Proposal submitted by the Secretary-General for 2007/08	\$537,664,300
Recommendation of the Advisory Committee for 2007/08	\$535,372,800

^a Estimate as at 30 April 2007 (see annex I).

I. Introduction

1. The recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 24 and 45 below would entail a reduction of \$2,291,500 in the proposed budget for the United Nations Stabilization Mission in Haiti (MINUSTAH) for the period from 1 July 2007 to 30 June 2008. The Advisory Committee makes a number of observations and recommendations with regard to the administration and management of the Mission and opportunities for further savings.
2. The Advisory Committee's general report on the administrative and budgetary aspects of peacekeeping operations (A/61/852) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to MINUSTAH.
3. The documents used by the Advisory Committee in its consideration of the financing of MINUSTAH are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2005 to 30 June 2006

4. The General Assembly, by its resolution 60/18 A, appropriated the amount of \$516,488,500 gross (\$506,253,200 net) for the maintenance of the Mission for the period from 1 July 2005 to 30 June 2006. The total amount has been assessed on Member States.
5. Expenditures for the maintenance of the Mission for the period totalled \$479,636,600 gross (\$470,971,800 net); the resulting unencumbered balance of \$36,851,900 represents, in gross terms, 7.1 per cent of the total appropriation.
6. The Mission's unutilized balance of \$36,851,900 is the net effect of savings and additional requirements under various line items. An analysis of the variances is incorporated in paragraphs 10 to 25 of the performance report. Savings were attributable primarily to:
 - (a) Lower average strength of military contingents (6,839 military personnel, compared to 7,350 budgeted) due to the early repatriation of some contingents, lower payments for contingent-owned equipment and favourable exchange rates resulting in lower ration costs (\$5.20 per day per person, compared to \$6.50 budgeted, and \$1.80 for bottled water, compared to \$2.00 budgeted). This resulted in an unutilized balance of \$24.5 million;
 - (b) Lower average strength of United Nations police (694 police personnel, compared to 852 budgeted), resulting in an unutilized balance of \$6.7 million;
 - (c) Lower freight and deployment costs of contingent-owned equipment, lower reimbursements for major equipment and lower ration costs for formed police units, resulting in an unutilized balance of \$2.9 million;

(d) Higher actual vacancy rates of 75 per cent for National Officers and 12 per cent for national General Service staff, as compared to 5 per cent budgeted for both categories;

(e) Delayed recruitment of both international and national staff.

7. Additional requirements resulting in overexpenditure under different budget lines were attributable primarily to:

(a) An increase in the living allowance for United Nations Volunteers (\$2,542, as compared to \$2,414 budgeted) and a lower vacancy rate (13 per cent, as compared to 25 per cent budgeted);

(b) The employment of seven international consultants in connection with elections;

(c) An increased level of within-Mission travel;

(d) The payment of outstanding freight charges for consignments of prefabricated facilities related to the previous financial period;

(e) The acquisition of water purification equipment, firefighting equipment and photocopiers;

(f) The unplanned acquisition of three armoured vehicles;

(g) Communications and information technology equipment;

(h) Medical supplies.

8. The comments of the Advisory Committee on the information contained in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2007 to 30 June 2008 in the paragraphs below.

9. The Advisory Committee notes that in its resolution 61/264, the General Assembly requested the Secretary-General to submit a detailed report on after-service health insurance at its sixty-third session. **Pending a decision by the Assembly, the Committee recommends that the full amount of other income and adjustments, amounting to \$14,506,000, as well as a portion of the unencumbered balance, amounting to \$3,376,400, for MINUSTAH for the period 2005/06, which had been proposed for meeting after-service health insurance liabilities, be credited to Member States.**

III. Information on performance for the current period

10. The Advisory Committee was informed that as at 31 December 2006, a total of \$1,034,152,000 had been assessed on Member States in respect of MINUSTAH since its inception. Payments received amounted to \$881,669,000, leaving an outstanding balance of \$152,483,000. As at 2 April 2007, the cash position of the Mission was \$174,900,000. As a three-month operating reserve amounts to \$76,715,000 (excluding reimbursements for troop-contributing countries), the remaining cash balance of \$98,185,000 is sufficient to allow further reimbursement to troop-contributing countries in May 2007.

11. The Advisory Committee was informed that as at 31 October 2006, payments made to Member States in respect of troop-cost reimbursement since the inception of the Mission amounted to \$198,449,500, covering the period up to 31 August 2006, and that \$34,658,000 was owed to Member States for troop costs as at 31 December 2006. A further payment in the amount of \$52,312,425, covering the period from September 2006 to February 2007, would be made in May 2007. With regard to contingent-owned equipment, payments made to Member States since the inception of the Mission amounted to \$111,511,200, and \$32,946,000 was owed to Member States as at 31 December 2006. Claims for contingent-owned equipment have been verified up to September 2006.

12. An amount of \$748,800 had been paid for 18 claims relating to death and disability compensation since the Mission's inception as at 15 May 2007. Unliquidated obligations amounted to \$2,303,200, and 21 claims remained outstanding. **The Advisory Committee expects the expeditious settlement of these claims.**

13. The Advisory Committee was informed that as at 30 April 2007, the incumbency situation for the 2006/07 budget period was as follows:

Category	Posts authorized ^a	Posts encumbered	Vacant posts	Vacancy/delayed deployment rate (percentage)
Military contingents	7 500	7 036	464	6.2
United Nations police	897	807	90	10.0
Formed police units	1 000	996	4	0.4
International staff ^b	509	458	51	10.0
National staff ^b	1 072	891	181	16.9
United Nations Volunteers ^b	189	182	7	3.7

^a Represents the highest authorized strength for the period.

^b Includes temporary positions.

14. The Advisory Committee was provided with current and projected expenditure data for the period from 1 July 2006 to 30 June 2007 (see annex I). Expenditures as at 30 April 2007 amounted to \$408,568,400 gross (\$402,015,400 net), against an apportionment of \$489,207,100 gross (\$479,808,400 net). Taking into account the estimated expenditure of \$50,241,600 for the period from 1 May to 30 June 2006, the total expenditure for the period 2006/07 is estimated at \$458,810,000 gross (\$451,073,800 net), leaving a projected unencumbered balance at the end of the 2006/07 budget period of \$30,397,100.

15. **Notwithstanding the explanations given in respect of the current and projected expenditure data, the Advisory Committee reiterates its recommendation that the Mission and Headquarters should undertake closer scrutiny of expenditure patterns to refine budgetary assumptions in order to obviate the possibility of overbudgeting (see A/60/869, para. 18).**

IV. Proposed budget for the period from 1 July 2007 to 30 June 2008

A. Mandate and planned results

16. The mandate of MINUSTAH was established by the Security Council in its resolution 1542 (2004). In its resolution 1702 (2006), the Council authorized the reduction of military strength from 7,500 to 7,200 and an increase in police strength from 1,897 to 1,951. In addition, the Council authorized the deployment of 16 corrections officers seconded from Member States in support of the Government of Haiti to address the shortcomings of the prison system. By its resolution 1743 (2007), the Council extended the mandate of MINUSTAH until 15 October 2007 with the intention of renewing it for further periods. In the same resolution, the Council requested MINUSTAH to accelerate efforts to reorient its disarmament, demobilization and reintegration resources towards a comprehensive community violence reduction programme, as decided in resolution 1702 (2006), in close coordination with the Government of Haiti and other relevant actors. Furthermore, it requested MINUSTAH to provide necessary support for the Haitian authorities' effort to reform the key elements of the justice and corrections sectors.

B. Resource requirements

17. The proposed budget for MINUSTAH amounts to \$537,664,300 gross (\$525,364,900 net), representing an increase of \$48,457,200, or 9.9 per cent, in gross terms over the amount of \$489,207,100 apportioned for the period 2006/07. The budget provides for the deployment of 7,200 military contingents, 1,951 United Nations police officers, including 1,000 in formed police units, 16 Government-provided personnel, 546 international staff, 1,268 national staff, 228 United Nations Volunteers and 69 temporary positions.

1. Military and civilian police personnel

<i>Category</i>	<i>Approved 2006/07^a</i>	<i>Proposed 2007/08</i>	<i>Variance</i>
Military contingents	7 500	7 200	(300)
United Nations police	897	951	54
Formed police units	1 000	1 000	—

^a Represents the highest level of authorized posts.

18. The estimated requirements for military and police personnel for the period from 1 July 2007 to 30 June 2008 amount to \$255,444,800, reflecting a reduction of \$10,571,400 (4 per cent) compared to the apportionment for 2006/07. The reduced requirements are due mainly to a reduction in military personnel and a reduction in the cost of emplacement, rotation and repatriation travel, offset in part by increased requirements for police personnel.

2. Civilian personnel

Category	Approved 2006/07	Encumbered 2006/07 as at 30 April 2007	Vacancies as at 30 April 2007	Proposed 2007/08	Increase compared to 2006/07
International staff	488 ^a	438	50	525 ^b	37
National staff ^c	1 041 ^a	869	172	1 237 ^b	196
United Nations Volunteers	172 ^a	165	7	211 ^b	39

^a Does not include positions funded under general temporary assistance (21 international, 31 national and 17 United Nations Volunteer positions) for 2006/07.

^b Does not include positions funded under general temporary assistance (21 international, 31 national and 17 United Nations Volunteer positions) for 2007/08.

^c Includes National Officers and national General Service personnel.

General comments

19. The proposed budget for civilian personnel for the period 2007/08 amounts to \$118,543,900, reflecting an increase of \$18,555,300, or 18.6 per cent, over the previous period. The proposal for 2007/08 entails an increase of 37 international posts, 196 national posts and 39 United Nations Volunteers. The budget projection reflects the application of a 10 per cent delayed deployment factor for international staff and vacancy rates of 25 per cent for National Officers and 5 per cent for national General Service staff. A 5 per cent delayed deployment or vacancy factor has been applied for United Nations Volunteers.

20. **The Advisory Committee is of the opinion that the resources and capacities already available in the Mission should be evaluated carefully and that consideration should be given to the possibility of redeploying existing staff to cover any new functions.**

21. The Advisory Committee notes the efforts made by the Mission to transfer substantive functions from international staff and United Nations Volunteers to national staff in the Civil Affairs Section, the Electoral Assistance Section and the Disarmament, Demobilization and Reintegration Section. **The Committee is of the view that the development of the capacity of national staff will be a key factor in the successful transition to the peacebuilding phase. The Committee recommends that a review of the staffing structure of all sections be undertaken and that the result be reflected in the 2008/09 budget presentation. The review should also focus on aligning the functions and levels of posts of the Mission with the actual responsibilities to be assumed and activities to be accomplished.**

Recommendations on posts

22. A summary of the posts requested for conversion, reclassification, establishment and abolition is presented in annex II to the present report. It is proposed that a total of 272 posts, including 37 international staff, 196 national staff and 39 United Nations Volunteers, be established to strengthen the Mission's capacity in rule of law matters and in the Political Affairs and Planning Division, the Communications and Public Information Office, the Office of the Police Commissioner, the Joint Mission Analysis Cell, the Joint Operations Centre, the Legal Affairs Section, the Justice Section, the Human Rights Section and all components of the Division of Administration. The proposed new posts entail

additional requirements of \$5.3 million for international staff, \$9.1 million for national staff and \$4.2 million for United Nations Volunteers.

23. The Advisory Committee recommends acceptance of the proposals for abolishing, reclassifying and redeploying posts for the reasons outlined in the report of the Secretary-General. Hence, the comments in the succeeding paragraphs relate to new posts and positions.

Executive direction and management

Office of the Principal Deputy Special Representative of the Secretary-General: 1 D-2

24. The Advisory Committee is aware that MINUSTAH is to provide support for the Haitian authorities' efforts to reform key elements of the justice and corrections sectors, in close synchronization with the plan for the reform and restructuring of the Haitian National Police, as highlighted in Security Council resolution 1743 (2007). The key function of the Coordinator of the Working Group on the Rule of Law is liaison with the Government of Haiti and coordination of activities within the Mission, in particular inputs from the Legal Affairs Office, the Human Rights Section, the Justice Section and the Office of the Police Commissioner. Substantive issues are normally overseen by the Office of the Deputy Special Representative in the peacekeeping missions. In complex missions such as MINUSTAH, the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), and the United Nations Mission in the Sudan, as well as in the United Nations Integrated Mission in Timor-Leste, the Police Commissioner is at the D-2 level; the head of the Political Affairs and Planning Division is a D-1 (except in MONUC, where the post is at the D-2 level); the head of the Legal Affairs Office is a P-5; and the head of the Human Rights Section is a D-1. MINUSTAH has a separate Justice Section, the head of which is at the D-1 level. **While under the circumstances, the Committee does not recommend the establishment of a D-2 post in the Office of the Principal Deputy Special Representative, it does recognize the complexity of the justice and corrections sector reform, as underlined in Security Council resolution 1743 (2007). The Committee therefore recommends the approval of a D-1 post for the proposed function and recommends its placement in the Office of the Special Representative of the Secretary-General in order to ensure a Mission-wide approach.**

Component 1: democratic development and consolidation of State authority

Political Affairs and Planning Division: 2 P-5 and 1 notional General Service

25. There are 18 posts in the Political Affairs and Planning Division. Two new P-5 posts are proposed for Senior Advisers to the President of Haiti. One is to provide expert advice for the development of policy options and the second is to support the President's advisers in formulating a comprehensive external relations strategy vis-à-vis key donor Governments and multilateral agencies. The Advisory Committee notes that the Mission continues to contribute to capacity- and institution-building at all levels. The proposal is to expand such support to strengthen State institutions. **The Committee therefore would support the establishment of two P-5 posts in the Mission to provide advice to the Office of the President of Haiti. The Committee also recommends approval of the requested national General Service post for a Driver/Clerk.**

Civil Affairs Section: 12 National Officers and 1 United Nations Volunteer

Communications and Public Information Office: 1 Field Service, 2 National Officers and 11 national General Service

Electoral assistance Section: 7 National Officer posts in lieu of United Nations Volunteers

26. The Advisory Committee recommends acceptance of the proposal to create 13 posts (12 National Officers and 1 United Nations Volunteer) in the Civil Affairs Section and 7 National Officer posts in lieu of United Nations Volunteers in the Electoral Assistance Section, as MINUSTAH will shortly enter into a new maintenance phase. The Committee also recommends acceptance of the proposal to create 14 posts in the Communications and Public Information Office in view of the expansion of its workload.

Component 2: security, public order and development of the rule of law

Office of the Police Commissioner: 1 D-1, 1 Field Service, 20 national General Service and 22 United Nations Volunteers

27. The Advisory Committee recommends the creation of 24 posts (1 D-1, 1 Field Service and 22 United Nations Volunteers) in the Office of the Police Commissioner, as the Mission will be stepping up its activities in assisting the Government to pursue the reform of the Haitian National Police and the judiciary and in supporting the Government in extending its authority. Regarding the 20 proposed new national General Service/National Officer posts, the Committee is of the view that the existing vacancies for national staff should be filled before the number of posts in the staffing table is increased.

Joint Mission Analysis Cell: 1 United Nations Volunteer

Joint Operations Centre: 1 P-5 and 4 P-3

Justice Section: 2 P-5, 3 P-3 and 2 United Nations Volunteers

28. The Advisory Committee recommends acceptance of the proposals to establish these posts.

Component 3: human rights

Human Rights Section: 1 P-4, 1 P-3 and 1 United Nations Volunteer

Gender Unit: 1 United Nations Volunteer

29. The Advisory Committee recommends acceptance of these posts.

Component 4: humanitarian and development coordination

Humanitarian and Development Coordination Section: 7 National Officers and 2 national General Service

30. The Advisory Committee recommends acceptance of these posts for the reasons given in the report of the Secretary-General.

Component 5: support*Security Section: 1 P-4, 1 P-2, 2 Field Service and 50 national General Service*

31. Under the Security Section, the proposed budget includes the creation of 54 posts (1 P-4, 1 P-2, 2 Field Service and 50 national General Service). **The Advisory Committee is of the view that the four international posts could be filled utilizing existing vacancies.** As regards the 50 new national General Service posts, the Committee was informed that United Nations security officers were responsible for providing secure access to United Nations facilities, while commercial armed guards were responsible for protecting and guarding United Nations facilities. Although the monthly cost for employing security officers as national staff (\$714 per person) is higher than the cost of hiring outsourced commercial guards (\$600 per regular guard and \$700 per supervisor), the advantages are that they are reliable, trainable and accountable to the Organization. **The Committee recommends acceptance of the proposal for 50 additional national General Service posts. The Committee notes that the United Nations security officers and the commercial armed guards will be working together at sites where there are United Nations assets and facilities and trusts that the difference in pay will not lead to unforeseen problems. The Committee expects a commensurate reduction of any provision made under operational costs for general temporary assistance, and trusts that requests for the large-scale conversion of individual contractors to assignments of limited duration will be avoided.**

Office of Chief Administrative Officer: 1 Field Service, 1 national General Service and 1 United Nations Volunteer

32. The Office has 21 posts, including 8 Professional, 7 Field Service and 6 national General Service staff. **In the view of the Advisory Committee, the functions of the new Field Service post could be carried out by existing staff. The Committee does not object to the creation of posts for one national staff member and one United Nations Volunteer.**

Office of the Chief, Administrative Services: 1 United Nations Volunteer

33. The Office has 19 posts, including 4 Professional, 3 Field Service, 2 National Officer and 4 national General Service posts and 6 United Nations Volunteers. **The Advisory Committee is of the view that the functions of the requested additional United Nations Volunteer could be carried out by existing staff.**

Finance Section: 1 P-3, 1 Field Service and 3 national General Service

34. **The Advisory Committee recommends approval of all the additional posts requested in view of the increased workload.**

Personnel Section: 4 Field Service

35. **The Advisory Committee recommends approval of 3 Field Service staff as Human Resources Assistants. The continuation of these Field Service posts should be rejustified in the 2008/09 budget.**

Procurement Section: 2 Field Service

36. **The Advisory Committee recommends the establishment of two Field Service posts for the reasons given in the report of the Secretary-General.**

General Services Section: 2 Field Service, 5 national General Service and 2 United Nations Volunteers

37. The Section has 408 posts, including 8 Professional, 9 Field Service, 382 national staff, 7 United Nations Volunteers and 2 temporary posts (1 Field Service and 1 National Officer). **In the view of the Advisory Committee, the functions of the proposed additional staff could be carried out by existing staff.**

Medical Section: 2 national General Service and 6 United Nations Volunteers

38. **The Advisory Committee recommends the approval of two national General Service posts and six United Nations Volunteers for the reasons set out in the report of the Secretary-General.**

Movement Control Section: 2 Field Service, 22 national General Service and 2 United Nations Volunteers

39. In this section, 22 individual contractor positions are proposed to be converted to 22 new national General Service posts. Two new Field Service and two United Nations Volunteer posts are also proposed. **The Advisory Committee agrees with the proposed conversions and the establishment of two Field Service posts and two United Nations Volunteers for the reasons given in the report. The Committee trusts that operational costs have been appropriately reduced.**

*Engineering Section: 2 Field Service and 5 United Nations Volunteers**Communications and Information Technology Section: 4 Field Service, 21 national General Service and 13 United Nations Volunteers*

40. **The Advisory Committee recommends the approval of the proposed new posts for the Engineering Section and the Communications and Information Technology Section for the reasons given in the report of the Secretary-General.**

Transport Section: 1 Field Service and 29 national General Service

41. **The Advisory Committee recommends acceptance of 1 Field Service post and approval of the proposed conversion of 29 individual contractors to national General Service staff (22 vehicle mechanics and 7 drivers). The Committee trusts that operational costs have been reduced appropriately.**

3. Operational costs

(United States dollars)

<i>Expenditure 2005/06</i>	<i>Apportioned 2006/07</i>	<i>Projected expenditure 2006/07</i>	<i>Proposed 2007/08</i>	<i>Variance</i>
151 130 200	123 202 300	124 842 300	163 675 600	40 473 300

42. The estimated operational requirements for the period from 1 July 2007 to 30 June 2008 represent an increase of \$40,473,300, or 32.9 per cent, over the previous period. The major factors contributing to the increase relate to official travel (75.2 per cent), facilities and infrastructure (64.4 per cent), communications (38.3 per cent) and information technology (48.6 per cent). A detailed breakdown of the Mission's operational costs can be found in section III of the budget document.

Official travel

(United States dollars)

	2005/06	2006/07	2007/08 ^a
Apportionment	1 290 000	969 500	1 698 600
Expenditure	1 808 000	1 173 000 ^b	Not available
Excess expenditure	518 000	203 500 ^b	Not available

^a Proposed.

^b Projected.

43. During the period 2005/06, the Mission overspent the travel provision by \$518,000 (40.2 per cent), with unplanned travel accounting for 73 per cent of all travel. In the context of the 2006/07 budget proposal, the Advisory Committee was assured that the Mission had instituted strict travel expenditure controls. The Committee notes, however, that expenditure for the period 2006/07 is projected at \$1,173,000, or 21 per cent over the budgeted amount of \$969,500, owing to unplanned travel.

44. Upon enquiry, the Advisory Committee was informed that a number of mechanisms had been put in place, such as e-MOP (electronic movement of personnel forms) and a requirement for special approval by the Chief Administrative Officer of any travel beyond three days. Furthermore, it was informed that the overexpenditure was primarily attributable to within-Mission travel. During 2006/07, the Mission spent nearly \$490,000 for within-Mission travel, which exceeded the budgetary provision by \$350,700, and \$153,317 for outside-Mission travel, compared to \$266,400 budgeted, as at 26 April 2007. The overexpenditures resulted from the postponement of elections and additional travel by senior personnel for police matters, mission planning and consultations with and provision of support to local authorities.

45. The proposed budget for the period 2007/08 amounts to \$1,698,600, comprising \$608,000 for within-Mission travel, \$502,800 for outside-Mission travel and \$587,200 for training-related travel. **Taking into account the past expenditure pattern of the Mission, the Advisory Committee recommends that the apportionment be reduced to \$1,175,000, which approximates the estimated expenditure for the period 2006/07 (see also para. 43 above). The Committee will further monitor the expenditure pattern in the context of the 2008/09 budget proposal.**

Facilities and infrastructure

(United States dollars)

	2005/06	2006/07	2007/08 ^a
Apportionment	74 652 100	43 087 400	70 731 200
Expenditure	77 537 500	57 758 400 ^b	Not available
Unencumbered balance	2 885 400	14 671 000 ^b	Not available

^a Proposed.^b Projected.

46. The table above shows that the Mission is projecting a sizable increase in expenditure over the budgeted amount for 2006/07. Upon enquiry, the Advisory Committee was informed that the costs of construction, alteration and renovation and maintenance services have increased mainly because of (a) activities related to the reform of the Haitian National Police that entail an increase in the number of co-locations of United Nations police and the Haitian National Police, (b) the provision of hard-walled accommodations for two contingents that are currently in soft-walled accommodations, (c) additional offices to be opened in the regions by the Justice and Civil Affairs Sections, (d) the renovation, alteration and construction of sites in Cité Soleil and Martissant that were taken over by the Mission to improve the security situation in the capital and (e) the requirement of new sites for the Mission after some sites were reclaimed by the local authorities in accordance with the status-of-forces agreement. **The Advisory Committee recommends acceptance of the Secretary-General's proposal.**

Communications and information technology

47. The cost estimate for communications for the 2007/08 period amounts to \$28,259,800, which is \$7,829,800 (38.3 per cent) more than the apportionment of \$20,430,000 for the period 2006/07. With respect to information technology, the cost estimate of \$6,952,600 for the period 2007/08 is \$2,273,700 (48.6 per cent) more than the apportionment of \$4,678,900. The Advisory Committee was informed that additional requirements for communications are attributable primarily to the co-location of United Nations police with the Haitian National Police in an additional 98 police stations, for a total of 148 co-location stations. The expansion would require communications services including voice and data services, as well as equipment for digital microwave links. In addition, the higher requirements are due to the outsourcing of radio and communications services to support the 13 communications centres throughout Haiti (as compared with four centres in 2006/07), which operate on a 24/7 basis and conform with minimum operating security standards. With regard to information technology, the increased requirements relate to proposed increases in civilian staff, United Nations police, the aforementioned increased co-location of United Nations police with the Haitian National Police, centralized information technology services and additional internationally contracted information technology personnel.

Conduct and Discipline Team

48. The conduct and discipline team comprises seven temporary positions (1 P-5, 2 P-4, 1 P-2, 1 Field Service, 1 National Officer and 1 national General Service staff member) and organizes training for all MINUSTAH personnel. Upon enquiry, the Advisory Committee was informed that in 2006 there were 23 cases involving allegations of sexual exploitation and abuse. Those are considered category I cases of serious misconduct. Six cases have been investigated by the Office of Internal Oversight Services and reports on them were pending at the time of the Committee's meeting; five cases are currently under investigation; four were dropped due to lack of evidence; and the remainder were referred to the Government of the relevant troop-contributing country since they involved military personnel.

Quick-impact projects

49. The proposed budget for 2007/08 includes a provision of \$2 million for quick-impact projects. The Advisory Committee notes that this is the fourth year for which the Mission has requested such funds. Out of an expenditure of \$1,868,938 in the current period (as at 31 March 2007), the Mission, international and national non-governmental organizations and civil society have spent \$262,128, \$101,400 and \$236,123, respectively, for projects in the water, sanitation, education and health sectors, as well as infrastructure development. An amount of \$1,269,286 was spent by the Government of Haiti as the Mission's implementing partner. Most of the projects are related to providing funds to the Government for projects such as the rehabilitation or reconstruction of police stations, prisons, municipalities, hospitals, schools and room for tribunals, as well as seminars and acquisition of equipment.

50. Three projects relating to the 2004/05 financial period were not completed. The projects were supposed to be implemented by the Institut du bien-être social et de recherche (IBESR), a local non-governmental organization, a Government hospital in Port-au-Prince and the Haitian National Police. Those implementing partners were requested to return the unspent funds by official letters issued in December 2006 and January and February 2007. IBESR formally responded by promising to refund the unspent amount. Responses from the Government hospital and the Haitian National Police are awaited.

51. **The Advisory Committee is of the opinion that an analysis of results achieved through such projects should be provided in the context of future budgets.**

4. Other matters

Disarmament, demobilization and reintegration

52. The Advisory Committee was informed that the planning assumptions for the disarmament, demobilization and reintegration programme turned out to be incorrect, as the original concept envisaged a traditional large-scale disarmament of as many as 6,000 former members of the Haitian military forces. The Mission had encountered security problems that were associated with highly decentralized urban gangs, most members of which had criminal rather than political motivations. The Mission is now focusing on developing a two-pronged programme that is complementary to its security operations on the one hand and emphasizes a

community-based approach to reducing violence on the other. The establishment of the National Commission for Disarmament, Demobilization and Reintegration by the elected Government in August 2006 was also a major step forward. The Mission supported the United Nations Development Programme in establishing seven community committees for the prevention of violence and for development in the most volatile neighbourhoods. The robust security operations have resulted in the voluntary surrender of 104 weapons to the National Commission for Disarmament, Demobilization and Reintegration and the identification of 232 candidates for the disarmament, demobilization and reintegration programme in the last three months.

V. Conclusion

53. The action to be taken by the General Assembly in connection with the financing of MINUSTAH for the period from 1 July 2006 to 30 June 2007 is indicated in paragraph 26 of the performance report on the budget for the Mission (A/61/741). **The Advisory Committee recommends that the unencumbered balance of \$36,851,900, as well as other income and adjustments in the amount of \$14,506,000 for the period ended 30 June 2006, be credited to Member States in a manner to be determined by the General Assembly.**

54. The action to be taken by the General Assembly in connection with the financing of MINUSTAH for the period from 1 July 2007 to 30 June 2008 is indicated in paragraph 96 of the proposed budget (A/61/869). Taking into account its recommendations in paragraphs 24 and 45 above, **the Advisory Committee recommends that the estimated budget requirements be reduced from \$537,664,300 to \$535,372,800 for the maintenance of MINUSTAH for the 12-month period from 1 July 2007 to 30 June 2008.**

Documentation

- Performance report on the budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2005 to 30 June 2006: report of the Secretary-General (A/61/741)
- Budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2007 to 30 June 2008: report of the Secretary-General (A/61/869)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2006 to 30 June 2007 (A/60/869)
- Report of the Secretary-General on the United Nations Stabilization Mission in Haiti (S/2006/1003)
- General Assembly resolutions 60/18 B and 61/264
- Security Council resolutions 1542 (2004), 1608 (2005), 1658 (2006), 1702 (2006) and 1743 (2007)

- Overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2005 to 30 June 2006 and budget for the period from 1 July 2007 to 30 June 2008 (A/61/786)
- Financial report and audited financial statements for the 12-month period from 1 July 2005 to 30 June 2006 and report of the Board of Auditors on United Nations peacekeeping operations (A/61/5 (vol. II)).

Current and projected expenditures of the United Nations Stabilization Mission in Haiti for the period from 1 July 2006 to 30 June 2007

(Thousands of United States dollars)

	1 July 2006-30 April 2007			Projected 1 May-30 June 2007			Reasons for variance
	Appropriation	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007	Variance (percentage)
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)	(7) = (6) ÷ (1)
Military and police personnel							
Military observers	—	—	—	—	—	—	—
Military contingents	191 211.9	163 192.3	28 019.6	7 533.2	170 725.5	20 486.4	10.7
United Nations police	47 836.6	36 408.1	11 428.5	7 985.5	44 393.6	3 443.0	7.2
Formed police units	26 967.7	26 554.3	413.5	1 160.0	27 660.3	(692.5)	(2.6)
Subtotal	266 016.2	226 154.7	39 861.5	16 624.7	242 779.4	23 236.8	8.7
Civilian personnel							
International staff	77 031.1	57 091.5	19 939.6	11 646.0	68 737.5	8 293.6	10.8

The lower requirements result primarily from the lower average military strength (6,720, compared with 7,350 budgeted) owing to a reduction in the authorized military strength from 7,500 to 7,200 personnel, pursuant to Security Council resolution 1702 (2006)

The lower requirements result primarily from the lower average police strength (727 compared with 807 budgeted)

The higher requirements result primarily from the full deployment of formed police units, compared with 2 per cent delayed deployment applied in the budget

The lower requirements are attributable mainly to a vacancy rate of 14 per cent, compared with 10 per cent budgeted

	1 July 2006-30 April 2007			Projected 1 May-30 June 2007			Reasons for variance
	Appropriation	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007	
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)	(7) = (6) + (1)
National staff	15 500.2	11 714.8	3 785.5	2 394.0	14 108.8	1 391.5	9.0
							The lower requirements are attributable mainly to a vacancy rate of 47 per cent for National Officers, compared with 25 per cent budgeted, and 33 per cent for national General Service, compared with 5 per cent budgeted
United Nations Volunteers	7 457.3	7 083.4	373.9	1 258.8	8 342.2	(884.9)	(11.9)
							The higher requirements are attributable to the increase in pre-departure expenses, settling-in-grant, resettlement allowance and medical insurance
Subtotal	99 988.6	75 889.6	24 099.0	15 298.8	91 188.4	8 800.2	8.8
Operational costs							
General temporary assistance	2 493.6	2 210.9	282.7	282.0	2 492.9	0.7	0.0
Government-provided personnel	—	—	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—	—	—
Consultants	84.5	84.4	0.1	—	84.4	0.1	0.1
							The higher requirements are due mainly to the increase in within-Mission travel undertaken by United Nations police for the vetting of Haitian National Police
Official travel	969.5	965.4	4.1	207.6	1 173.0	(203.5)	(21.0)
							The increased requirements are due mainly to the high costs of waste disposal services, construction services and electricity
Facilities and infrastructure	43 087.4	52 875.4	(9 788.0)	4 883.0	57 758.4	(14 671.0)	(34.0)

	1 July 2006-30 April 2007			Projected 1 May-30 June 2007			Reasons for variance
	Appropriation	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007	
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)	(7) = (6) - (1)
							Variance (percentage)
Ground transportation	8 563.2	7 418.9	1 144.3	1 153.0	8 571.9	(8.7)	(0.1)
The higher requirements are attributable mainly to the acquisition of the aviation firefighting trucks that were not budgeted, resulting from aviation requirements to enable MINUSTAH airfields to remain operational and comply with international regulations							
Air transportation	25 378.4	13 047.3	12 331.1	4 479.0	17 526.3	7 852.1	30.9
The unspent balance is attributable mainly to the delay in the implementation of rescue fire services owing to technical problems							
Naval transportation	192.0	109.0	82.1	55.0	164.9	27.1	14.1
The unspent balance is attributable mainly to the lower-than-anticipated volume of coastal freight shipments							
Communications	20 430.0	13 135.5	7 294.5	6 080.7	19 216.2	1 213.8	5.9
The lower requirements are due mainly to the lower reimbursement for self-sustainment resulting from the lower average military strength							
Information technology	4 678.9	4 242.2	436.7	733.8	4 976.0	(297.1)	(6.3)
The increased requirements are attributable mainly to the need to employ additional individual international contractors							
Medical	6 079.4	4 980.4	1 099.0	—	4 980.4	1 099.0	18.1
The reduced requirements are attributable mainly to the lower costs of medical equipment and lower reimbursement for self-sustainment resulting from the lower average military strength							

	1 July 2006-30 April 2007			Projected 1 May-30 June 2007			
	Appropriation	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007	Variance (percentage)
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)	(7) = (6) ÷ (1)
Special equipment	3 788.3	3 144.4	643.9	—	3 144.4	643.9	17.0
Other supplies, services and equipment	5 427.1	2 420.5	3 006.6	303.0	2 723.5	2 703.6	49.8
Quick-impact projects	2 030.0	1 889.0	141.0	141.0	2 030.0	(0.0)	(0.0)
Subtotal	123 202.3	106 524.2	16 678.1	18 318.1	124 842.3	(1 640.0)	(1.3)
Gross requirements	489 207.1	408 568.4	80 638.7	50 241.6	458 810.0	30 397.1	6.2
Staff assessment income	9 398.7	6 553.1	2 845.6	1 183.2	7 736.3	1 662.4	17.7
Net requirements	479 808.4	402 015.4	77 793.0	49 058.4	451 073.8	28 734.6	6.0
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—
Total requirements	489 207.1	408 568.4	80 638.7	50 241.6	458 810.0	30 397.1	6.2

The lower requirements are due mainly to the lower reimbursement for self-sustainment resulting from the lower average military strength

The unutilized balance is attributable mainly to the lower number of gang members resulting from the reformulation of the disarmament, demobilization and reintegration programme to address the current situation by targeting community violence reduction instead of focusing on the number of gang members disarmed

The lower requirements are due mainly to the lower reimbursement for self-sustainment resulting from the lower average military strength.

The unutilized balance is attributable mainly to the lower number of gang members resulting from the reformulation of the disarmament, demobilization and reintegration programme to address the current situation by targeting community violence reduction instead of focusing on the number of gang members disarmed.

Annex II

Summary of proposed changes in staffing for the United Nations Stabilization Mission in Haiti for the period from 1 July 2007 to 30 June 2008

Office/section/unit	Number	Level	Description	Remarks
Executive direction and management				
Office of the Special Representative of the Secretary-General	-1	P-5	Senior Political Affairs Officer	Post redeployed to Joint Mission Analysis Cell
	-1	P-3	Analyst	Post redeployed to Joint Mission Analysis Cell
	-1	GS-OL	Administrative Assistant	Post redeployed to Joint Mission Analysis Cell
	<u>-3</u>			
Office of the Principal Deputy Special Representative of the Secretary-General	+1	D-2	Coordinator of the Working Group on the Rule of Law	New
Component 1: democratic development and consolidation of State authority				
Political Affairs and Planning Division	+2	P-5	1 Special Assistant to the President, 1 Adviser to the President on security issues	New
	-1	NO	Interpreter/Translator	Post abolished to create NGS post
	+1	NGS	Driver/Clerk	New
	<u>+2</u>			
Civil Affairs Section	-2	FS	Administrative Assistants	Post abolished to create 2 posts for NO posts
	+12	NO	Civil Affairs National Officers	New
	+1	UNV	Customs Specialist	New
	<u>+11</u>			
Communications and Public Information Section	-1	P-3	Public Information Officer	Post abolished to create FS post
	+1	FS	Communications Engineer	New
	+2	NO	Radio Editors	New
	+11	NGS	5 Radio Journalists, 2 Radio Researchers, 2 Radio Technicians, 2 Communications Technicians for multimedia centres	New
	<u>+13</u>			

Office/section/unit	Number	Level	Description	Remarks
Electoral Assistance Section	-1	P-4	Electoral Operations Officer	Abolished
	-2	P-3	1 Finance Officer and 1 Regional Coordinator	Abolished
	+7	NO	District Coordinators	New in lieu of UNVs
	-13	UNV	District Coordinators	Abolished
	-9			
Component 2: security, public order and development of the rule of law				
Office of the Police Commissioner	+1	D-1	Deputy Police Commissioner for Development	New
	+1	FS	Administrative Assistant (for the new Deputy)	New
	+20	NGS	10 Data Entry Clerks, 5 Communication Technicians, 4 Administrative Assistants, 1 Driver	New
	+22	UNV	1 Project Planning, 1 Project Coordination, 1 Architect, 1 Construction Engineer, 1 Maintenance Engineer, 2 Logistics Officers, 2 Procurement Officers, 2 Supply Officers, 1 Radio Engineer, 1 Telephonic Engineer, 1 Microwave Engineer, 1 Budget Officer, 1 Accounting Officer, 1 Finance Officer, 1 Internal Auditor, 2 Personnel Managers, 2 Legal Officers	New
	+44			
Joint Mission Analysis Cell	+1	P-5	Senior Political Affairs Officer	Post redeployed from Office of the Special Representative of the Secretary-General
	+1	P-3	Analyst	Post redeployed from Office of the Special Representative of the Secretary-General
	+1	GS-OL	Administrative Assistant	Post redeployed from Office of the Special Representative of the Secretary-General
	+1	UNV	Information Officer	New
	+4			

Office/section/unit	Number	Level	Description	Remarks
Joint Operations Centre	+1	P-5	Senior Operations Officer	New
	+4	P-3	Operations Officer	New
	<u>+5</u>			
Legal Affairs Section	+1	P-3	Legal Affairs Officer	Reclassified from NO
	-1	NO	Legal Affairs Officer	Reclassified to P-3
	<u>—</u>			
Justice Section	+2	P-5	Senior Judicial Affairs Officers	New
	+3	P-3	Judicial Affairs Officers	New
	+2	UNV	2 Judicial Affairs Officers for field offices in Saint Marc and Miragoane	New
	<u>+7</u>			
Disarmament, Demobilization and Reintegration Section	-1	P-3	Disarmament, Demobilization and Reintegration Officer	Reclassified to P-2
	+1	P-2	Operations Officer	Reclassified from P-3
	+6	NO	Community Development Officers	New in lieu of UNVs
	-6	UNV	Disarmament, Demobilization and Reintegration Officers	Abolished
	<u>—</u>			
Component 3: human rights				
Human Rights Section	+1	P-4	Human Rights Investigator	New
	+1	P-3	Human Rights Investigator	New
	+1	UNV	Human Rights Investigator	New
	<u>+3</u>			
Gender Unit	+1	UNV	Capacity-building Officer	New
Component 4: humanitarian and development coordination				
Humanitarian and Development Coordination Section	+7	NO	Humanitarian and Development Coordination Officers	New
	+2	NGS	Administrative Assistants	New
	<u>+9</u>			
Component 5: support				
Security Section	+1	P-4	Security Officer	New
	+1	P-2	Security Officer	New
	+2	FS	Security Officer	New
	+50	NGS	Security Guards	New
	<u>+54</u>			

<i>Office/section/unit</i>	<i>Number</i>	<i>Level</i>	<i>Description</i>	<i>Remarks</i>
Office of the Chief Administrative Officer	+1	FS	Budget Assistant	New
	+1	NGS	Administrative Assistant	New
	+1	UNV	Legal Assistant	New
	<u>+3</u>			
Office of the Chief of Administrative Services	+1	UNV	Staff Counsellor	New
Finance Section	+1	P-3	Chief Cashier	New
	+1	FS	Finance Assistant	New
	+3	NGS	Finance Assistants	New
	<u>+5</u>			
Personnel Section	+4	FS	Human Resources Assistants	New
Procurement Section	-2	P-3	Procurement Officer	Reclassified to FS
	+4	FS	Procurement Assistants	2 new, 2 reclassified from P-3
	<u>+2</u>			
General Services Section	+2	FS	1 Property Disposal Assistant, 1 Language Support Supervisor	New
	+5	NGS	1 Property Disposal Assistant, 3 Regional Collection Yard Assistants, 1 Records and Archives Assistant	New
	+2	UNV	1 Property Disposal Assistant, 1 Information Management Assistant	New
	<u>+9</u>			
Medical Section	-3	NO	Medical Doctors	Abolished
	+2	NGS	1 Nurse, 1 Ambulance Driver	New
	+6	UNV	3 Nurses, 3 Medical Doctors	3 new, 3 in lieu of NOs
	<u>+5</u>			
Movement Control Section	+2	FS	Movement Control Assistants	New
	+22	NGS	Regional Passenger and Cargo Handlers	New
	+2	UNV	Movement Control Assistants	New
	<u>+26</u>			
Engineering Section	+2	FS	Regional Engineering Coordinators	New
	+5	UNV	Engineering Assistants	New
	<u>+7</u>			

<i>Office/section/unit</i>	<i>Number</i>	<i>Level</i>	<i>Description</i>	<i>Remarks</i>
Communications and Information Technology Section	+4	FS	1 IT Security Officer, 1 Public Information Media Outreach Supervisor, 1 Budget Assistant/Requisitioner, 1 Warehouse Assistant	New
	+21	NGS	17 Telecommunication Technicians (6 Cabling Technicians, 2 Rigging Technicians, 2 Satellite/Videoconferencing Technicians, 2 Radio Communications Technicians, 1 Telephone Technician and 4 Microwave Technicians), 4 Public Information Media Outreach Technicians	New
	+13	UNV	9 Telecommunication Technicians (2 Cabling Technicians, 1 Rigging Technician, 3 Satellite/Videoconferencing Technicians, 1 Radio Communications Technician, 2 Microwave Technicians), 1 IT Security Assistant, 2 Public Information Media Outreach Technicians, 1 Warehouse Assistant	New
	<u>+38</u>			
Transport Section	+1	FS	Budget/Asset Control Assistant	New
	+29	NGS	22 Vehicle Mechanics, 7 Drivers	New
	<u>+30</u>			
Subtotals	+37	International		
	+196	National		
	+39	UNV		
Total	<u>+272</u>	<u>posts</u>		

Abbreviations

FS — Field Service

IT — information technology

NO — National Officer

NGS — National General Service

OL — Other level

UNV — United Nations Volunteer



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Agenda items 132 and 144 (b)

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations peacekeeping forces in the Middle East: United Nations Interim Force in Lebanon

Financial performance report for the period from 1 July 2005 to 30 June 2006 and proposed budget for the period from 1 July 2007 to 30 June 2008 of the United Nations Interim Force in Lebanon

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2005/06	\$94,252,900
Expenditure for 2005/06	\$91,264,200
Unencumbered balance for 2005/06	\$2,988,700
Appropriation for 2006/07	\$496,615,500
Preliminary status of expenditures for 2006/07	\$502,240,000 ^a
Projected unencumbered balance for 2006/07	(\$5,625,000) ^a
Proposal submitted by the Secretary-General for 2007/08	\$713,586,800
Recommendation of the Advisory Committee for 2007/08	\$713,586,800

^a Estimate as at 17 May 2007 (see annex I).



I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends acceptance of the Secretary-General's proposal for the United Nations Interim Force in Lebanon (UNIFIL) for the period from 1 July 2007 to 30 June 2008.**

2. The Advisory Committee's general report on the administrative and budgetary aspects of United Nations peacekeeping operations contains its views and recommendations on a number of cross-cutting issues. In the paragraphs below, the Committee deals with resources and other items that relate specifically to UNIFIL.

3. The documents used by the Advisory Committee in its consideration of the financing of UNIFIL are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2005 to 30 June 2006

4. The General Assembly, in its resolution 59/307, appropriated to the Special Account for UNIFIL the amount of \$94,252,900 gross (\$89,537,200 net) for the maintenance of the Force for the period from 1 July 2005 to 30 June 2006. The total amount has been assessed on Member States. Expenditures for the period totalled \$91,264,200 gross (\$87,185,700 net), which is \$2,988,700 or 3.2 per cent, lower than the apportionment of \$94,252,900 gross (see A/61/829, summary).

5. The unutilized balance of \$2,988,700 is the net effect of savings and additional requirements under various line items. Savings were mainly attributable to a higher vacancy rate for international and national staff, as compared to the incumbency rates used in the budget preparation, and to lower requirements under operational costs owing to reductions in the acquisition of generators, vehicles and spare parts. Overexpenditures under military personnel relate primarily to the unforeseen and unbudgeted repatriation of one engineering unit.

6. The comments of the Advisory Committee on individual objects of expenditure can be found in the discussion of the proposed budget for the period from 1 July 2007 to 30 June 2008 in the paragraphs below.

7. The Advisory Committee notes that the General Assembly, in its resolution 61/264, has requested the Secretary-General to submit a detailed report on after-service health insurance at its sixty-third session. **Pending a decision by the General Assembly, the Committee recommends that the full amount of other income and adjustments amounting to \$15,038,400, as well as a portion of the unencumbered balance amounting to \$273,800 for UNIFIL for the period 2005/06, which had been proposed for meeting after-service health insurance liabilities, be credited to Member States.**

III. Information on performance for the current period

8. The Advisory Committee was informed that, as at 31 March 2007, a total of \$4,039,600,000 had been assessed on Member States with respect to UNIFIL since its inception. Payments received as at the same date amounted to \$3,898,100,000,

leaving an outstanding balance of \$141,600,000. As at 14 May 2007, the cash position of the Force was \$216,700,000. Even after keeping a three-month's operating cash reserve of \$74,900,000, the remaining balance of \$141,800,000 was sufficient to allow further reimbursements to troop-contributing countries in May 2007.

9. The Advisory Committee was also informed that troop cost reimbursement had been made up through February 2007 and that the remaining balance owed for troop costs as at 31 March 2007 was \$15.8 million. With regard to contingent-owned equipment, the Committee was informed that as at 30 April 2007, reimbursement had been made up through December 2006 for troop-contributing countries deployed prior to the expansion of the Force and that the remaining balance owed for contingent-owned equipment as at 30 April 2007 was \$63,400,000. As at 30 April 2007, \$20,500,000 had been paid for 459 claims for death and disability compensation since the inception of the mission; unliquidated obligations amounted to \$530,000 and one claim remained outstanding.

10. The Advisory Committee was informed that, as at 30 April 2007, the incumbency of UNIFIL for the period from 1 July 2006 to 30 June 2007 was as follows:

<i>Category</i>	<i>Posts authorized*</i>	<i>Posts planned</i>	<i>Posts encumbered</i>	<i>Number of vacant posts</i>	<i>Vacancy rate (percentage)</i>
Military contingents	15 000	13 210	13 260	1 740	11.6
International staff	406	263	249	157	38.7
National staff	696	584	418	278	39.9

* Represents the highest authorized strength.

11. The Advisory Committee was provided with the preliminary status of expenditures as at 17 May 2007 for the period from 1 July 2006 to 30 June 2007 (see annex I). For the current period, expenditures amounted to \$375,700,000 gross (\$372,500,000 net) against an apportionment of \$496,600,000 gross (\$492,000,000 net), as at 17 May 2007. Total expenditure for the period is estimated at \$502,200,000 gross (\$497,500,000 net), including projected expenditures of \$126,500,000 for the period 18 May to 30 June 2007. These estimates would involve an overexpenditure of \$5,600,000 at the end of the financial period. The latest available information on projected expenditure for the current financial period should be provided to the General Assembly.

IV. Proposed budget for the period from 1 July 2007 to 30 June 2008

A. Mandate and planned results

12. The mandate of UNIFIL was established by the Security Council in its resolutions 425 (1978) and 426 (1978). In its resolution 1701 (2006), the Security Council decided, in order to supplement and enhance the Force in numbers, equipment, mandate and scope of operations, to authorize an increase in the force

strength of UNIFIL to a maximum of 15,000 troops. By the same resolution, the Council extended the mandate of the Force until 31 August 2007 and decided that, in addition to the mandate under its resolutions 425 (1978) and 426 (1978), it would include monitoring the cessation of hostilities, accompanying and supporting the deployment of the Lebanese Armed Forces (LAF), as they deployed throughout southern Lebanon, and assisting the Government of Lebanon in securing its borders and other entry points.

B. Resource requirements

1. Military personnel

Category	Approved 2006/07	Proposed 2007/08	Variance
Military contingents	15 000	15 000	—

13. The proposed budget for the period 2007/08 for military personnel amounts to \$375,536,200 gross, an increase of \$116,570,700, or 45.0 per cent, compared to the apportionment of \$258,965,500 gross for the period 2006/07. The increased requirements reflect the full deployment of 14,382 military contingent personnel for the period 2007/08 as compared with the phased deployment of troops during the period 2006/07. The cost estimates provide for standard reimbursement for troop costs and contingent-owned equipment, deployment, rotation and repatriation travel, recreational leave and daily allowances, rations and freight costs. Given that 13,260 military contingent personnel were deployed as at 30 April 2007 (see para. 10 above), the full deployment of 14,382 personnel planned by 1 July 2007 would mean adding 1,122 personnel during the period from May to June 2007. Upon enquiry, the Committee was informed that the planned deployment of 14,382 military personnel may not be complete by 1 July 2007. If so, this is likely to lead to underexpenditure for military contingents. This underexpenditure may well be offset, however, by additional expenditure later in the period 2007/08, as the number of troops may exceed the current planned deployment of 14,382 personnel to the authorized strength of 15,000. **In view of the explanation given, the Advisory Committee is not recommending any cost reduction under military contingents.**

14. As indicated in paragraph 33 of the budget submission (A/61/870 and Corr.1), the cost estimates also include a provision for daily subsistence allowance for 29 staff officers deployed in the Strategic Military Cell at Headquarters. In the course of its consideration of the proposed budget for UNIFIL for the period 2007/08, the Committee received the report of the Secretary-General on the comprehensive review of the Strategic Military Cell (A/61/883) submitted in response to General Assembly resolution 61/250 B of 2 April 2007. **Given its earlier view that the cost of providing backstopping requirements at Headquarters should not be charged, even temporarily, to the budgets of peacekeeping operations (see A/61/616, para. 13), the Committee is of the opinion that, in the future, costs related to the Strategic Military Cell should be charged to the support account.**

2. Civilian personnel

Category	Approved 2006/07	Proposed 2007/08	Variance
International staff	406	408	2
National staff ^a	696	869	173

^a Including national officers and national General Service personnel.

General comments

15. The proposed budget for civilian personnel for the period 2007/08 amounts to \$107,479,100, reflecting an increase of \$71,183,600, or 196.1 per cent. The increased requirements are related primarily to the application of a 10 per cent delayed recruitment factor for both international and national staff as compared to higher factors used in the preparation of the budget for the period 2006/07 (34 per cent for international staff and 30 per cent for national staff). The increase also reflects the conversion of 173 general temporary assistance positions for interpreters to established posts.

Recommendation on posts

16. A summary of the staffing changes proposed for UNIFIL for the period 2007/08 is attached as annex II, including a number of redeployments and reclassifications. A description of the changes is also provided in the Secretary-General's report under the various components (A/61/870 and Corr.1). The Committee notes that, under executive direction and management, a reduction of 11 positions in the Regional Oversight Office is a result of the transfer of those positions to the support account for peacekeeping operations for the period 2007/08.

17. The proposed staffing establishment provides for a net increase of two international posts (one P-4 for a Police Advisor and one P-5 for a Deputy Chief in the Office of the Chief of Integrated Support Services) and the conversion of 173 general temporary assistance positions for interpreters to established posts. **The Advisory Committee has no objection to the establishment of the two posts or to the proposed 173 conversions.**

3. Operational costs

(United States dollars)

Apportioned 2006/07	Proposed 2007/08	Variance
201 354 500	230 571 500	29 217 000

18. The estimated operational requirements for the period 2007/08 represent an increase of \$29,217,000, or 14.5 per cent, in comparison with the apportionment for the period 2006/07. Major factors contributing to the variance include an increase in requirements for naval transportation owing to the increase in the naval fleet from 16 to 18 vessels; increased requirements for facilities and infrastructure owing to the refurbishment of the Force's headquarters; higher costs under air operations, attributable mainly to the deployment of two additional helicopters; and additional requirements related to the full deployment of the military contingents. The increased requirements are partially offset by reductions under ground

transportation, information and communications technology equipment, owing to the completion of major procurement efforts during the period 2006/07.

19. With regard to naval operations, the Committee was provided with an explanation for the increased requirements for the vessels. It was informed that the two additional vessels had already been deployed in the mission area as a national support element during the current budget period and that for the 2007/08 budget period it is proposed that they be included in the budget estimates.

General temporary assistance

20. The estimated requirements of \$1,940,700, a reduction of \$943,100, mainly reflect the proposed conversion of 173 positions to established posts (national General Service). Upon enquiry, the Advisory Committee was informed that the proposed estimates would provide for four positions (one D-2, one D-1 and two General Service/other level) in the Strategic Military Cell at Headquarters at an estimated cost of \$884,800 (see also para. 17 above) and for 7 positions (one P-5, two P-4s, one P-2, one Field Service, one national professional officer and one national General Service) on the Conduct and Discipline Team, at an estimated cost of \$1,055,900.

Consultants

21. Upon enquiry, the Advisory Committee was informed that the estimated requirements of \$461,400 included the following: (a) \$113,400 for travel, daily subsistence allowance and fees for three work-months for two geographical information system consultants; and (b) \$348,000, reflecting a delayed recruitment factor of 30 per cent, for the travel, daily subsistence allowance and fees of three Police Advisors for the full period on customs and border issues. **The Committee is of the view that since consultants are not staff, the application of a delayed recruitment factor to estimating the cost of consultants is inconsistent with established budgetary practice, whereby such costs are usually based on work-months.**

Official travel (training and non-training)

22. As indicated in the budget submission, the increase of \$56,000 in travel requirements is due primarily to training-related travel for newly recruited staff that will require training in substantive and technical areas. **The Committee trusts that as the number of newly recruited staff diminishes, the requirements of the Force for training-related travel will also show a reduction. Moreover, the Committee recommends that, so far as practical, participants in training courses be given the task of sharing their acquired knowledge with other UNIFIL personnel.**

Quick-impact projects

23. A provision of \$500,000 for quick-impact projects reflects an increase of \$288,600, or 136.5 per cent, in comparison with the apportionment for the period 2006/07. As indicated in the budget submission, the additional requirements relate to the implementation of the projects to address urgent needs for rehabilitation of essential public infrastructure and services in Southern Lebanon. Upon enquiry, the Committee was informed that the majority of the projects funded by UNIFIL had been executed by local communities and municipalities as implementing entities; UNIFIL implemented a few projects for which specialized engineering expertise had

been requested. **The Committee recognizes the usefulness and cost-effectiveness of quick-impact projects. Further, the Committee is of the opinion that an analysis of results achieved through such projects should be provided in the context of future budgets.**

V. Conclusion

24. The actions to be taken by the General Assembly in connection with the financing of UNIFIL for the period from 1 July 2005 to 30 June 2006 are indicated in paragraph 18 of the performance report (A/61/829). **The Advisory Committee recommends that the unencumbered balance of \$2,988,700 as well as other income and adjustments in the amount of \$15,038,400 for the period ended 30 June 2006 be credited to Member States in a manner to be determined by the General Assembly (see also para. 7 above).**

25. The actions to be taken by the General Assembly in connection with the financing of UNIFIL for the period from 1 July 2007 to 30 June 2008 are indicated in paragraph 50 of the proposed budget (A/61/870 and Corr.1). **The Advisory Committee recommends that, should the Security Council decide to continue the mandate of the Force beyond 31 August 2007, the General Assembly appropriate an amount of \$713,586,800 (gross) for UNIFIL for the twelve-month period from 1 July 2007 to 30 June 2008.**

Documentation

- Performance report on the budget of the United Nations Interim Force in Lebanon for the period from 1 July 2005 to 30 June 2006 (A/61/829)
- Budget for the United Nations Interim Force in Lebanon for the period from 1 July 2007 to 30 June 2008 (A/61/870 and Corr.1)
- Report of the Secretary-General on the comprehensive review of the Strategic Military Cell (A/61/883)
- Report of the Secretary-General on the financing of the United Nations Interim Force in Lebanon for the period from 1 July 2006 to 31 March 2007 (A/61/588)
- Report of the Secretary-General on the implementation of Security Council resolution 1701 (2006) (S/2007/147)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financing of the United Nations Interim Force in Lebanon for the period from 1 July 2006 to 30 June 2007 (A/61/803)
- General Assembly resolutions 59/307, 60/278 and 61/250 A and B on the financing of the United Nations Interim Force in Lebanon
- General Assembly resolution 61/264 on liabilities and proposed funding for after-service health insurance benefits
- Security Council resolutions 1614 (2005), 1655 (2006) and 1701 (2006)

Annex I

Current and projected expenditures of the United Nations Interim Force in Lebanon for the period from 1 July 2006 to 30 June 2007

	1 July 2006 to 17 May 2007			Projected 18 May to 30 June 2007		
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)
Reasons for variance						
(7) = (6) x (1)						
Military and police personnel						
Military observers	—	—	—	—	—	—
Military contingents	258 966	222 142	36 824	27 700	249 842	9 124
						3.5
						Lower costs for freight of contingent-owned equipment and emplacement
United Nations police	—	—	—	—	—	—
Formed police units	—	—	—	—	—	—
Subtotal	258 966	222 142	36 824	27 700	249 842	9 124
						3.5
Civilian personnel						
International staff	21 418	23 120	(1 702)	5 072	28 192	(6 774)
						(31.6)
National staff	14 878	13 268	1 609	3 294	16 562	(1 684)
						(11.3)
United Nations Volunteers	—	—	—	—	—	—
Subtotal	36 296	36 388	(93)	8 366	44 754	(8 459)
						(23.3)
Operational costs						
General temporary assistance	2 884	3 101	(217)	315	3 416	(532)
						(18.5)
Government-provided personnel	—	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—	—
						Faster pace of recruitment

	1 July 2006 to 17 May 2007			Projected 18 May to 30 June 2007			Reasons for variance
	Appropriation	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007	Variance percentage
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)	(7) = (6) ÷ (1)
Consultants	227	—	227	60	60	167	73.6
Official travel	703	638	65	65	703	(0)	(0.0)
Facilities and infrastructure	76 388	63 806	12 582	16 830	80 636	(4 248)	(5.6)
Ground transportation	16 750	10 722	6 029	6 028	16 750	0	0.0
Air transportation	5 140	4 135	1 005	1 926	6 061	(921)	(17.9)
Naval transportation	53 134	1 982	51 152	51 152	53 134	(0)	(0.0)
Communications	20 710	13 945	6 765	6 765	20 710	(0)	(0.0)
Information technology	7 680	4 966	2 714	2 714	7 680	0	0.0
Medical	5 019	3 963	1 056	3 097	7 060	(2 041)	(40.7)
Special equipment	3 719	3 549	170	39	3 588	131	3.5
Other supplies, services and equipment	8 790	5 897	2 893	1 449	7 346	1 444	16.4
Quick-impact projects	211	500	(289)	—	500	(289)	(136.5)
Subtotal	201 355	117 201	84 153	90 443	207 644	(6 289)	(3.1)
Gross requirements	496 616	375 732	120 884	126 508	502 240	(5 625)	(1.1)
Staff assessment income	4 583	3 255	—	—	4 698	(115)	(2.5)
Net requirements	492 033	372 477	120 884	126 508	497 542	(5 509)	(1.1)
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—
Total requirements	496 616	375 732	120 884	126 508	502 240	(5 625)	(1.1)

Summary of proposed changes in staffing for United Nations Interim Force in Lebanon for the period from 1 July 2007 to 30 June 2008

<i>Office/Section/Unit</i>	<i>Number</i>	<i>Level</i>	<i>Description</i>
Executive direction and management			
Regional Oversight Office	-1	P-5	Chief
	-3	P-4	2 Auditors and 1 Investigator
	-3	P-3	2 Auditors and 1 Investigator
	-2	GS (OL)	2 Audit Assistants
	-2	NGS	2 Administrative Assistants
Total	-11		
Operations			
Beirut Office	+1	P-4	Police Adviser
Support			
Office of the Chief of Integrated Support Services	+1	P-5	Deputy Chief
Contracts Management Section	-1	P-5	Chief Contracts Management Officer
General Services Section	-1	P-4	Chief, Contingent-Owned Equipment Unit
	-1	P-3	Chief, Property Control and Inventory Unit
	-2	P-3	Contingent-Owned Equipment Officers
	-7	FS	Property Control, Inventory and COE Assistants
	-3	GS (OL)	Property Control, Inventory Assistants
	-12	NGS	Assistants

Office Section Unit		Number	Level	Description
Property Management Section				
	+1	P-5	Section Chief	
	+1	P-4	Chief, Contingent-Owned Equipment Unit	
	+1	P-3	Chief, Property Control and Inventory Unit	
	+2	P-3	Contingent-Owned Equipment Officers	
	+7	FS	Property Control, Inventory and COE Assistants	
	+3	GS (OL)	Property Control, Inventory Assistants	
	+12	NGS	Assistants	
Engineering Section	-2	P-4	Sector Engineers	
	+2	P-3	Sector Engineers	
Sector Administrative Offices	+173	NGS	Interpreters	
Total	+174			

Note: P = Professional, FS = Field Service, GS = General Service, OL = other level, NGS = national General Service, COE = contingent-owned equipment.

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Agenda items 132 and 137

**Administrative and budgetary aspects of the financing
of the United Nations peacekeeping operations****Financing of the United Nations Mission in East Timor****Proposed budget for the period from 1 July 2007 to
30 June 2008 of the United Nations Integrated Mission
in Timor-Leste****Report of the Advisory Committee on Administrative and
Budgetary Questions**

Appropriation for the period from 25 August to 30 June 2007	\$184,819,900
Projected expenditure from 25 August to 30 June 2007 ^a	\$167,893,400
Estimated unencumbered balance for the same period ^a	\$16,926,500
Proposal submitted by the Secretary-General for 2007/08	\$153,187,500
Recommendation of the Advisory Committee for 2007/08	\$153,159,800

^a Estimates as at 17 April 2007 (see annex I).

I. Introduction

1. The recommendations of the Advisory Committee on Administrative and Budgetary Questions set out in paragraph 28 below would entail a reduction of \$27,700 in the proposed budget of the United Nations Integrated Mission in Timor-Leste (UNMIT) for the period from 1 July 2007 to 30 June 2008. The Committee also makes a number of observations and recommendations regarding the administration and management of the Mission and opportunities for further savings.

2. The Advisory Committee's general report on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations contains its



views and recommendations on a number of cross-cutting issues. Consequently, in the paragraphs below, the Committee deals with resources and other items specifically relating to UNMIT.

3. During its consideration of the proposed budget, the Committee met with the Deputy Special Representative and other representatives of the Secretary-General. The documents used by the Committee in its consideration of the financing of UNMIT are listed at the end of the present report.

II. Information on performance for the period from 1 July 2006 to 30 June 2007

4. In its resolution 61/249 A of 22 December 2006, the General Assembly authorized the Secretary-General to enter into commitments for UNMIT for the period from 25 August 2006 to 31 March 2007 in a total amount not exceeding \$170,221,100, inclusive of \$49,961,500 previously authorized by the Advisory Committee, and decided to assess the amount of \$170,221,100 on Member States. By its resolution 61/249 B of 2 April 2007, the General Assembly appropriated \$184,819,900 for the maintenance of the mission and requested UNMIT to rejustify the post levels of the Mission's Chief of Staff, the Chief Political Affairs Officer and the Deputy Police Commissioner for Administration and Development.

5. The Advisory Committee was informed that, as at 31 March 2007, a total of \$168,430,600 had been assessed on Member States in respect of UNMIT since its inception. Payments received by the same date amounted to \$83,596,100, leaving an outstanding balance of \$84,834,500. As at 16 April 2007, the cash position of the Mission was \$42,700,000. Total outstanding loans from the Peacekeeping Reserve Fund amounted to \$3,200,000. After taking account of the three-month operating reserve (excluding payments to formed police-contributing countries) of \$70,671,700, the cash deficit of the Mission is estimated at \$27,971,700. The amount of cash available does not therefore allow for reimbursement to formed police-contributing countries. **While the cash-flow situation has improved since the Committee's last consideration of the financing of UNMIT in March 2007 (A/61/802), it continues to be a matter of concern.**

6. The Committee was informed that, as at 31 March 2007, the incumbency for UNMIT was as follows:

Category	Posts authorized/proposed	Posts encumbered	Vacancy rate (percentage)
Military observers	34	34	—
United Nations police	1 045	1 000	4
Formed police units	563	564	—
International staff	469	233	50
National staff	1 136	846	26
United Nations Volunteers	386	295	24

7. The Advisory Committee was provided with current and projected expenditures for the period from 25 August 2006 to 30 June 2007 (see annex I to the present report). Current expenditure as at 17 April 2007 amounts to \$87,427,500, or 47 per cent of the approved apportionment of \$184,819,900 gross for a financial period which is more than 80 per cent complete. UNMIT estimates projected expenditures for the period from 18 April to 30 June 2007 at \$80,465,900. For the whole financial period, therefore, expenditures are estimated at \$167,893,400, or 90.8 per cent of the apportionment. This would result in an unencumbered balance of \$16,926,500.

8. The Committee was provided with additional information on the large amount of expenditure projected for the period from 18 April to 30 June 2007, representing some 44 per cent of the total apportionment. It was informed that the total projected expenditures of \$80,465,900 included \$19.6 million of pre-encumbrances, \$33.7 million for military observers, United Nations police and civilian personnel, \$26.4 million for procured goods and services and \$813,800 for consultants, official travel and general temporary assistance.

9. As to the projected unencumbered balance of \$16,926,500, representing 8.8 per cent of the apportionment, the Committee was informed that the resource variances are due to reduced requirements under civilian personnel (\$4,078,500), owing to the fact that the actual average salary rates for both international and national staff are lower than those budgeted, as well as under operational costs (\$18,417,800), as a consequence of the security situation, which did not allow the deployment of United Nations police personnel across the country as planned but forced their retention in Dili, and the impact of the vacancies on staff capacity to implement projects. These reductions are offset in part by higher expenditures under military and police personnel (\$5,569,800) owing to the earlier than planned deployment of police officers as well as the deployment of an additional formed police unit.

III. Proposed budget for the period from 1 July 2007 to 30 June 2008

A. Mandate and planned results

10. In its resolution 1704 (2006), the Security Council decided to establish UNMIT as a follow-on mission for an initial period of six months, with the intention of renewing the mandate for further periods, and also decided that UNMIT would consist of an appropriate civilian component, including up to 1,608 police personnel, and up to 34 military liaison and staff officers. The mandate of UNMIT is set out in paragraph 4 of resolution 1704 (2006). By its resolution 1745 (2007), the Council extended the mandate of the Mission to 26 February 2008 and decided to increase the Mission's authorized force strength by up to 140 police personnel in order to permit the deployment of an additional formed police unit to supplement the existing units, particularly during the pre- and post-electoral period. The Council also requested the Secretary-General to submit a report, including recommendations for possible adjustments in the Mission's mandate and strength, within 60 days after the presidential and parliamentary elections in Timor-Leste. The presidential

election was held on 30 April, with a run-off poll on 9 May 2007. The date of the parliamentary elections is planned for 30 June 2007.

B. Resource requirements

11. The proposed budget for UNMIT for 2007/08 (A/61/871) amounts to \$153,187,500 gross (\$147,126,300 net), representing a decrease of \$31,632,400 or 17.1 per cent, in gross terms, from the amount of \$184,819,900 apportioned for the 10-month period from 25 August 2006 to 30 June 2007. The budget provides for the deployment of 34 military liaison and staff officers, an initial level of 1,045 United Nations police personnel and 703 formed police personnel, 427 international staff, 754 national staff and 131 United Nations Volunteers as well as 2 national and 5 international temporary positions for the Conduct and Discipline Team. The 427 international and 754 national staff include the seven security posts funded through the United Nations country team cost-sharing arrangements.

1. Military and police personnel

Category	Authorized 25 August 2006- 30 June 2007	Delayed deployment rate 25 August 2006- 30 June 2007 (percentage)	Authorized/ proposed 2007/08	Delayed deployment rate 2007/08 (percentage)
Military observers	34	5	34	5
United Nations police	1 045	20	1 045	10
Formed police units	563	—	703	—

12. The estimated requirements for military and police personnel for the period from 1 July 2007 to 30 June 2008 amount to \$42,134,400, reflecting an increase of \$6,813,500, or 19.3 per cent, over the apportionment for the current 10-month period. The variance is attributable to the provision for a full year rather than a 10-month period, the full deployment of the 34 military liaison and staff officers, and the application of a 10 per cent delayed deployment rate for police personnel instead of 20 per cent as applied during the current period.

13. The Committee was informed that, subject to review in the light of the security situation, the Mission planned to reduce the number of United Nations police personnel from 1,045 to 445 in a phased drawdown of 100 each month from September 2007 to the end of February 2008. The five United Nations formed police units would also be decreased to one unit by 31 May 2008.

2. Civilian personnel

Category	Approved 25 August 2006-30 June 2007	Proposed 2007/08
International staff ^a	459	432
National staff ^b	1 133	756
United Nations Volunteers	386	131

^a Includes 3 posts in the Security Section (1 P-5, 1 P-4 and 1 P-3) funded by the United Nations country team through cost-sharing arrangements and 5 posts (1 P-5, 2 P-4, 1 P-2 and 1 Field Service) for the Conduct and Discipline Team funded under general temporary assistance.

^b Includes 4 national General Service posts in the Security Section funded by the United Nations country team through cost-sharing arrangements and 2 posts (1 National Officer and 1 national General Service staff) for the Conduct and Discipline Team funded under general temporary assistance.

14. The estimated requirements for civilian personnel for the period from 1 July 2007 to 30 June 2008 amount to \$51,963,100, reflecting an increase of \$14,535,000, or 38.8 per cent, over the apportionment of \$37,428,100 for the period from 25 August 2006 to 30 June 2007. As indicated in the budget document (A/61/871, sect. III), the variance is attributable essentially to the application of lower vacancy rates for international staff of 30 per cent instead of the rates applied in the current period: 50 per cent for international staff under recruitment on 31 January 2007; and 75 per cent for vacant posts at that date. The increase is offset in part by a decrease of 32 international posts.

15. The Committee notes that the vacancy situation continues to present serious challenges to the Mission. It was informed that, as at 1 April 2007, up to 97 appointees had not taken up their posts at UNMIT for a variety of reasons, including 52 cases where the selected candidate had declined the offer, 29 cases where the offer was subsequently withdrawn and 16 cases where missions did not release a staff member who had been selected by UNMIT. **The Committee urges UNMIT and the Secretariat to develop a concerted strategy for ensuring that UNMIT has adequate staff levels to accomplish its mandate.**

Recommendations on posts

16. A summary of the posts requested for conversion, establishment and abolition is presented in annex II to the present report. It is proposed to reduce the staffing component by 32 international posts and 5 international general temporary assistance positions, 379 national posts and 1 national general temporary assistance position, and 255 United Nations Volunteers. The Advisory Committee notes that the posts proposed for abolishment are mainly in the Political Affairs Office, the Communications and Public Information Office, the Office of the Police Commissioner, the Electoral Assistance Office and the Division of Administration. The temporary positions funded through general temporary assistance are for the Internal Oversight Office and are reflected in the 2007/08 support account budget. It is proposed to meet requirements for new posts requested in the Security Sector Support Section, the Serious Crimes Investigation Team, the Office of the Chief Military Liaison Officer and the Democratic Governance Support Office through the redeployment of posts from downsizing sections. **The Advisory Committee**

recommends acceptance of the Secretary-General's proposals except as indicated below.

17. As mentioned in paragraph 4 above, in its resolution 61/249 B, the General Assembly requested that UNMIT rejustify the posts levels of the Mission's Chief of Staff, the Chief Political Affairs Officer and the Deputy Police Commissioner for Administration and Development. The Advisory Committee notes that UNMIT proposes to maintain these posts at the original levels put forward, and that rejustifications are provided for the posts of Chief of Staff at D-2 (A/61/871, paras. 11-14), Chief Political Affairs Officer at D-1 (A/61/871, paras. 16 and 17) and Deputy Police Commissioner at D-1 (A/61/871, paras. 20-23).

18. In its previous report (A/61/802, para. 18), the Advisory Committee indicated that it saw no justification for placing substantive offices, such as the Political Affairs Office, the Communications and Public Information Office and the Planning and Best Practices Unit, under the responsibility of the Chief of Staff, as this would constitute an additional and unnecessary bureaucratic layer in a mission the size of UNMIT. It recommended that the functions of the Chief of Staff be revised to comprise more traditional duties and that the post be established at the D-1 rather than the D-2 level. The Secretary-General's rejustification (see A/61/871, paras. 11-14) emphasizes the Chief of Staff's responsibility for the overall coordination of the Mission's activities, and continues to situate six substantive offices under his/her direct supervision. **The Committee points out that the post of Chief of Staff is classified at the D-1 level in several other missions, including the United Nations Stabilization Mission in Haiti, the United Nations Operation in Côte d'Ivoire (UNOCI), the United Nations Mission in Liberia, the United Nations Interim Administration Mission in Kosovo and the United Nations Mission for the Referendum in Western Sahara. The Chief of Staff is at the D-2 level only in the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) and the United Nations Mission in the Sudan, which are exceptionally large and complex integrated missions. Furthermore, this position has not been established at several other missions, such as the United Nations Mission in Ethiopia and Eritrea, the United Nations Observer Mission in Georgia, the United Nations Interim Force in Lebanon, the United Nations Disengagement Observer Force and the United Nations Peacekeeping Force in Cyprus.**

19. Regarding the rejustification for the D-1 post requested for the Chief Political Affairs Officer (see A/61/871, paras. 16 and 17), UNMIT restates that the responsibilities of the post would include assisting the Special Representative and senior management of the Mission in their contacts with Timorese authorities, political parties and civil society; facilitating regular contacts between key national and international actors; and maintaining regular liaison with the diplomatic community, Government officials and entities of the United Nations system in Timor-Leste. **The Committee recognizes that the electoral process will increase the work to be undertaken by the Office. It also notes from additional information provided to it upon request that the post of Chief Political Affairs Officer is classified at the D-1 level in most missions. The Committee therefore recommends that the post of Chief Political Affairs Officer be maintained at the D-1 level.**

20. Regarding the rejustification of the post of Deputy Police Commissioner for Administration and Development (see A/61/871, paras. 20-23), the Advisory Committee notes that the functions of the post are largely the same as those set out previously: he/she is mainly responsible for the management of the United Nations police contingent, including 1,045 police officers and 703 formed police personnel. The Advisory Committee points out that, as stated in paragraph 13 above, a significant drawdown of United Nations police personnel (from 1,045 to 445) and of formed police personnel (from five units to one), is envisaged by 31 May 2008. This would, in any case, lead to a review of the post level of the Deputy Police Commissioner. Furthermore, the Advisory Committee points out also that the Mission already has at its disposal a Deputy Police Commissioner for Operations at the D-1 level, who is responsible for the restoration and maintenance of public security and the provision of support to the police in Timor-Leste. In this connection, the Advisory Committee was provided additional information upon request, indicating that the function of Deputy Police Commissioner exists only in five other missions and is at the P-5 level in UNOCI and MONUC. **In view of the foregoing, the Committee maintains its view that the responsibilities outlined in the budget proposal do not warrant a post at the D-1 level.**

21. The Advisory Committee believes that there are further opportunities for improved efficiency and cost-effective use of resources. For example, it is indicated that a large part of procurement activity relative to the setting up of the mission will be completed during 2006/07 (see A/61/871, paras. 74, 76 and 82; see also para. 26 below). Taken together with the downsizing of police personnel and the conclusion of the elections, with the planned drawdown of over 450 electoral support staff, this should lead to reduced requirements in areas such as the Procurement Section (17 staff), the Communications and Information Technology Section (87 staff), human resources (23 staff) and general services (68 staff). The Advisory Committee also reiterates the observations made in its previous report regarding planning for the staffing of UNMIT (see A/61/802, para. 15). In that report it had stressed the need to take into account the special circumstances of UNMIT, with a strong presence of United Nations agencies, funds and programmes in Timor-Leste, and the need to pay special attention to avoid duplication of functions and structures that already existed elsewhere within the country team.

22. In this connection, the Advisory Committee notes that UNMIT proposes to maintain 10 key posts in the Democratic Governance Support Office (see A/61/871, paras. 37-42) to ensure the sustainability of electoral institutions, and to provide technical advice and capacity-building support. It is proposed to establish these posts through the redeployment of 10 posts from the Electoral Assistance Office to the Democratic Governance Support Office (see A/61/871, para. 36). The Advisory Committee recognizes the importance of strengthening the capacity of the national electoral institutions. It has also consistently emphasized that special attention should be paid to the relationship between the role of the United Nations and the role of other agencies and organizations. **It requests UNMIT to intensify its efforts to coordinate with partners in the United Nations country team and non-governmental organizations, with a view to obtaining their support for this function.**

23. **The management structure of UNMIT appears to be top-heavy and out of proportion to the Mission's size and activities, especially when compared to the structure of other larger and more complex missions. The extent and capacity**

of the management support structure should be commensurate with the overall level of personnel, activities and workload to be managed, in order to ensure an optimum use of resources. For the reasons stated in paragraphs 18 and 20 above, the Advisory Committee does not consider that the Secretary-General has sufficient justification for the level of the posts of Chief of Staff and Deputy Police Commissioner. The Advisory Committee therefore reiterates its previous recommendations in this regard (see A/61/802, paras. 18 and 22) and recommends that the posts of Chief of Staff and Deputy Police Commissioner be adjusted downward to D-1 and P-5 respectively.

24. In its previous report on UNMIT (A/61/802, paras 15 and 16), the Advisory Committee had urged a careful review of the staffing requirements for UNMIT by the Mission and at Headquarters, taking into account the strong presence of United Nations agencies, funds and programmes in Timor-Leste and the need to avoid duplicating functions and structures that already exist within the country team. The Advisory Committee had recommended that the proposed budget for 2007/08 make clear the arrangements for coordination and cooperation between the United Nations country team and the Mission.

25. The Advisory Committee is of the view that a careful, in-depth review of staffing requirements for UNMIT is still very much needed. It reiterates its request that UNMIT, in collaboration with the Secretariat, undertake a comprehensive review of its staffing structure, in line with the considerations set out in paragraphs 15, 18 and 22 to 24 above and that the budget proposal for 2008/09 be prepared on the basis of the results of such a review. The Advisory Committee notes that, depending on the dates of the elections (see para. 10 above), the mandate of the mission may also be adjusted, in which case the review should be adapted accordingly.

3. Operational costs

<i>Apportionment 25 August 2006-30 June 2007</i>	<i>Projected expenditure up to 30 June 2007</i>	<i>Projected savings for 2006/07</i>	<i>Proposed 2007/08</i>
\$112 070 900	\$93 653 100	\$18 417 800	\$59 090 000

26. The estimated operational requirements for the period from 1 July 2007 to 30 June 2008 represent a decrease of \$53 million, or 47.3 per cent, in comparison with the apportionment for 2006/07. The major factors contributing to the variance are described in part III of the budget document (A/61/871) and include decreases under acquisition of communications and public information equipment (\$13.6 million), acquisition of vehicles (\$20.2 million) and facilities and infrastructure (\$18.8 million), owing to the fact that these expenditures constituted start-up costs that are not recurrent. **In the light of the downsizing of police and personnel envisaged and the conclusion of the elections (see para. 21 above), the Advisory Committee believes that there are opportunities for further savings under operational costs.**

27. Regarding quick-impact projects, the Advisory Committee notes that a provision of \$250,000 has been requested in 2007/08, up from \$100,000 in the current period. This amount represents 0.2 per cent of the overall budget of the Mission. The Advisory Committee notes that the increased resources are requested for quick-impact projects for the restoration and repair of public sanitation facilities, basic community infrastructure, school buildings and roads as well as the provision of clean drinking water.

IV. Conclusion

28. The action to be taken by the General Assembly in connection with the financing of UNMIT for the period from 1 July 2007 to 30 June 2008 is indicated in paragraph 89 of the proposed budget (A/61/871). **The Advisory Committee recommends acceptance of the Secretary-General's request, subject to the observations and comments made in the paragraphs above. Taking into account its observations in paragraph 23 above, the Advisory Committee recommends that the estimated budget requirements of \$153,187,500 for the maintenance of the Mission be reduced by \$27,700. Accordingly, the Committee recommends that the General Assembly appropriate an amount of \$153,159,800 gross (\$147,108,700 net) for the maintenance of UNMIT for the 12-month period from 1 July 2007 to 30 June 2008.**

Documentation

- Budget for the United Nations Integrated Mission in Timor-Leste for the period from 1 July 2007 to 30 June 2008: report of the Secretary-General (A/61/871)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the United Nations Integrated Mission in Timor-Leste for the period from 25 August 2006 to 30 June 2007 (A/61/802)
- General Assembly resolutions 61/249 A and 61/249 B
- Report of the Secretary-General on the United Nations Integrated Mission in Timor-Leste for the period from 9 August 2006 to 26 January 2007 (S/2007/50)
- Security Council resolutions 1704 (2006) and 1745 (2007)
- Financial report and audited financial statements for the 12-month period from 1 July 2005 to 30 June 2006 and report of the Board of Auditors on United Nations peacekeeping operations (A/61/5, vol. II)

Annex I

United Nations Integrated Mission in Timor-Leste: current and projected expenditures for the period from 1 July 2006 to 30 June 2007

	25 August 2006 to 17 April 2007		Projected 18 April to 30 June 2007			Reasons for variance
	Appropriation (1)	Total expenditure (2)	Total Unencumbered balance (3)=(1)-(2)	Projected expenditure (4)	Total expenditure including projected 30 June 2007 balance as at 30 June 2007 (5)=(2)+(4) (6)=(1)+(5)	Variance percentage (7)=(6)-(1)
Military and police personnel						
Military observers	1 106.7	665.7	441.0	390.9	1 056.6	50.1
Military contingents	—	—	—	—	—	—
United Nations police	21 321.5	16 629.4	4 692.1	9 565.0	26 194.4	(4 872.9)
						Accelerated deployment of United Nations police officers compared to projections made in the budget
Formed police units	12 892.7	6 372.7	6 520.0	7 267.0	13 639.7	(747.0)
						Deployment of an additional formed police unit
Subtotal	35 320.9	23 667.8	11 653.1	17 222.9	40 890.7	(5 569.8)
Civilian personnel						
International staff	26 570.6	11 793.1	14 777.5	12 079.7	23 872.8	2 697.8
						Delayed recruitment of international staff and lower actual average salary costs compared to the budgeted provisions
National staff	3 252.1	1 271.7	1 980.4	1 512.6	2 784.3	467.8
						Lower actual average salary costs compared to the budgeted rates (G-4, step 1, and National Officer-B, step 4). Moreover, actual common staff costs represent about 12 per cent of net salaries compared to the budgeted 18 per cent

25 August 2006 to 17 April 2007		Projected 18 April to 30 June 2007			
Appropriation	Total expenditure	Unencumbered balance	Projected expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2007
(1)	(2)	(3)-(1)-(2)	(4)	(5)-(2)+(4)	(6)-(1)-(5)
Variance percentage (7)-(6)-(1)	Reasons for variance				
United Nations Volunteers	7 605.4	3 842.5	2 850.0	6 692.5	912.9
					12.0
					Delayed deployment of the United Nations Volunteers
Subtotal	37 428.1	16 907.3	16 442.3	33 349.6	4 076.5
					10.9
Operational costs					
General temporary assistance	670.3	47.6	140.0	187.6	482.7
					72.0
					Delayed recruitment of the Conduct and Discipline Team and Internal Oversight Office staff
Government-provided personnel	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—
Consultants	612.2	247.4	259.8	507.2	105.0
					17.2
					Deferral of the engagement of security sector reform consultants pending the formation of the new Government. Since the parliamentary elections are expected to take place on 30 June 2007, the services of 3 consultants to support the security sector reform study in the area of defence and policing will be utilized during the 2007/08 period.
Official travel	1 781.5	884.3	414.0	1 298.3	483.2
					27.1
					Recording of mission subsistence allowance costs for personnel on temporary duty assignment to UNMIT under the international staff class of expenditure, with provisions for this purpose made under the official travel class of expenditure

	25 August 2006 to 17 April 2007			Projected 18 April to 30 June 2007			Reasons for variance
	Appropriation (1)	Total expenditure (2)	Unencumbered balance (3)-(1)-(2)	Projected expenditure (4)	Total expenditure including projected (5)-(2)+(4)	Estimated unencumbered balance as at 30 June 2007 (6)-(1)-(5)	Variance percentage (7)-(6)-(1)
Facilities and infrastructure	34 782.1	9 387.5	25 394.6	14 429.5	23 817.0	10 965.1	31.5
							Lower actual requirements for fuel, alteration and renovation services, construction services, acquisition of prefabricated facilities, generators and furniture due to the postponement of the deployment of United Nations police to districts as a result of the volatile security situation in Dili. While the budget was based on the deployment of United Nations police to 12 districts and 65 subdistricts, they will be deployed to 15 subdistricts, with daily visits to the remaining districts by road as required
Ground transportation	23 154.9	14 449.3	8 705.6	8 662.2	23 111.5	43.4	0.2
Air transportation	9 220.1	6 090.7	3 129.4	1 242.5	7 333.2	1 886.9	20.5
							Delayed deployment of one helicopter
Naval transportation	—	—	—	—	—	—	—
Communications	19 931.1	7 519.8	12 411.3	9 348.0	16 867.8	3 063.3	15.4
							Non-acquisition of the communications trunking system intended for the United Nations police, as the change of systems during the period of volatile security situation was deemed unacceptable for operational reasons. In addition, acquisition of some public information equipment was deferred pending recruitment of public information staff

25 August 2006 to 17 April 2007										Projected 18 April to 30 June 2007									
	Appropriation (1)	Total expenditure		Unencumbered balance		Projected expenditure		Total expenditure including projected		Estimated unencumbered balance as at 30 June 2007		Variance percentage							
		(2)	(3)-(1)-(2)	(4)	(5)-(2)-(4)	(6)-(1)-(5)	(7)-(6)-(1)	Reasons for variance											
Information technology	11 375.4	4 546.4	6 829.0	6 077.1	10 623.5	751.9	6.6	Engagement of 15 contractors compared to the budgeted provisions for 25 contractors											
Medical	4 731.0	768.0	3 963.0	3 905.3	4 673.3	57.7	1.2												
Special equipment	277.3	—	277.3	194.6	194.6	82.7	29.8												
Other supplies, services and equipment	5 435.0	2 911.4	2 523.6	2 127.7	5 039.1	395.9	7.3	Transfer of GIS equipment from the United Nations Operation in Burundi at no cost other than shipping											
Quick-impact projects	100.0	—	100.0	—	—	100.0	100.0	Deferral of projects to the 2007/08 period in view of the delayed recruitment of staff											
Subtotal	112 070.9	46 852.4	65 218.5	46 800.7	93 653.1	18 417.8	16.4												
Gross requirements	184 819.9	87 427.5	97 392.4	80 465.9	167 893.4	16 926.5	9.2												
Staff assessment income	3 836.8	814.0	3 022.8	792.0	1 606.0	2 230.8	58.1												
Net requirements	180 983.1	86 613.5	94 369.6	79 673.9	166 287.4	14 695.7	8.1												
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—												
Total requirements	184 819.9	87 427.5	97 392.4	80 465.9	167 893.4	16 926.5	9.2												

Annex II

**United Nations Integrated Mission in Timor-Leste:
summary of proposed changes in staffing for the period
from 1 July 2006 to 30 June 2007**

<i>Office/Section/Unit</i>	<i>Number of posts</i>	<i>Level</i>	<i>Description</i>
Component 1: Executive direction and management			
Internal Oversight Office	-2	P-4	Resident Auditor (1) and Investigator (1)
	-2	P-3	Resident Auditor (1) and Investigator (1)
	-1	Field Service	Auditing Assistant
	-1	National General Service	Language Assistant
	-6		
Component 1: Political process			
Political Affairs Office	-1	P-3	Political Affairs Officer
	-1	P-2	Political Affairs Officer
	-1	National Officer	Political Affairs Officer
	-3		
Communications and Public Information Office	-4	National Officer	Public Information Officers
	-4		
Component 2: Security sector and rule of law			
Security Sector Support Section	+4	P-4	Security Sector Support Officers (accommodated through the redeployment of four P-4 posts from the Electoral Assistance Office)
	+2	P-3	Security Sector Support Officers (accommodated through the redeployment of two P-3 posts from the Electoral Assistance Office)
	+6		
Human Rights and Transitional Justice Office	-1	National Officer	Human Rights Officer
	-1		
Serious Crimes Investigation Team	+4	Field Service	Translator/Interpreters (3) and Administrative Assistant (1) (accommodated through the redeployment of two Field Service posts from the Electoral Assistance Office and two Field Service posts from the Human Resources Section)

<i>Office/Section/Unit</i>	<i>Number of posts</i>	<i>Level</i>	<i>Description</i>
	+11	National General Service	Language Assistants (accommodated through the redeployment of 11 National General Service posts from the Office of the Police Commissioner)
	+15		
Office of the Police Commissioner	-173	National General Service	Language Assistants
	-173		
Office of Chief Military Liaison Officer	+2	National General Service	Language Assistants (accommodated through the redeployment of two National General Service posts from the Office of the Police Commissioner)
	+2		
Component 3: Governance, development and humanitarian coordination			
Electoral Assistance Office	-1	D-1	Chief Electoral Officer
	-1	P-5	Senior Adviser to the Commissioners/Deputy Electoral Officer
	-13	P-4	Electoral Officers (2), Gender Adviser (1), Chief Translator/Coordinator (1), Legal Advisers (2), Management Advisers (2), Public Information, Media Relations and Voter Education Adviser (1), Procedures Adviser (1), Database Manager (1), Planning and Operations Adviser (1) and Information Technology Coordinator (1)
	-13	P-3	Translators/Interpreters from/to the Tetum/English, Malay/English, Portuguese/English languages (3), Translator in Tetum/Portuguese/English (1), Voter Education Adviser (1), Logistics Adviser (1), Field Coordinators for the East, Central and West districts (3), Public Outreach and Information Adviser (1), Training Officer (1), Information Technology Officer (1) and Legal Adviser/Court of Appeals (1)
	-6	Field Service	Logistics Officer (1), Translator (1) and Administrative Assistants (4)
	-12	National Officer	Translators (8) and National Electoral Officers (4)
	-175	National General Service	Language Assistants (155) and Drivers (20)
	-250	United Nations Volunteers	Field Electoral Officers
	-471		

Office/Section/Unit	Number of posts	Level	Description
Democratic Governance Support Office	+5	P-4	Electoral Governance Advisers (4) and Public Information and Voter Education Adviser (1) (accommodated through the redeployment of five P-4 posts from the Electoral Assistance Office)
	+1	P-3	Legal Adviser (Court of Appeals) (accommodated through the redeployment of one P-3 post from the Electoral Assistance Office)
	+4	Field Service	Administrative Assistants (accommodated through the redeployment of four Field Service posts from the Electoral Assistance Office)
+10			
Component 4: Support			
Administrative Services			
Office of the Chief of Administrative Services	-2	National General Service	Language Assistants
	+1	United Nations Volunteer	Translator/Interpreter (accommodated through the redeployment of one United Nations Volunteer position from the Human Resources Section)
-1			
Finance Section	-1	P-3	Finance Officer
	-1	P-2	Associate Finance Officer
	-1	Field Service	Finance Assistant
-3			
Human Resources Section	-1	P-3	Human Resources Officer
	-2	Field Service	Human Resources Assistants
	-1	United Nations Volunteer	Human Resources Officer
-4			
Integrated Support Services			
Supply Section	-1	P-2	Associate Fuel Assistant
	-6	National General Service	Administrative Assistants (2), Supply Assistant (1), Warehouse Assistant (1), Rations Assistant (1) and Fuel Assistant (1)
-7			
Transport Section	-1	P-3	Deputy Transport Officer
	-1	Field Service	Transport Assistant
	-1	General Service (Principal level)	Fleet Transport Officer

<i>Office/Section/Unit</i>	<i>Number of posts</i>	<i>Level</i>	<i>Description</i>
	-3	National General Service	Vehicle Technician (1) and Drivers (2)
	-1	United Nations Volunteer	Vehicle Technician
	-7		
Communications and Information Technology Section	-1	P-3	Telecommunications Officer
	-1	Field Service	Satellite Technician
	-1	United Nations Volunteer	Telecommunications Technician
	-3		
Engineering Section	-2	P-3	Civil Engineer (1) and Regional Engineer (1)
	-3	Field Service	Property Control and Inventory Assistant (1), Facilities Management Assistant (1) and Material and Asset Assistant (1)
	-14	National General Service	Property Control and Inventory Assistants (2), Generator Mechanics (3), Administrative Assistant (1), Facilities Management Assistants (5) and Material and Asset Assistants (3)
	-3	United Nations Volunteer	Engineering Technicians (2) and Property Control and Inventory Assistant (1)
	-22		
Total			
International	-37		
National	-380		
United Nations Volunteers	-255		
Grand total	-672		